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YEMEN ON THE BRINK: IMPLICATIONS FOR U.S. POLICY

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CONTENTS

Page

WITNESSES

The Honorable Jeffrey D. Feltman, Assistant Secretary, Bureau of Near Eastern Affairs, U.S. Department of State (Former United States Ambassador to Lebanon) 4
The Honorable Robert F. Godec, Principal Deputy Coordinator for Counterterrorism, Office of the Coordinator for Counterterrorism, U.S. Department of State (Former United States Ambassador to Tunisia) 6
Christopher Boucek, Ph.D., Associate, Middle East Program, Carnegie Endowment for International Peace 38
Mr. Jonathan Schanzer, Vice President for Research, Foundation for Defense of Democracies 57
Mr. Leslie Campbell, Senior Associate & Regional Director for the Middle East and North Africa, The National Democratic Institute 67
Mr. Bruce Riedel, Senior Fellow, Saban Center for Middle East Policy, The Brookings Institution 74

LETTERS, STATEMENTS, ETC., SUBMITTED FOR THE HEARING

The Honorable Jeffrey D. Feltman and the Honorable Robert F. Godec: Prepared statement 8
Christopher Boucek, Ph.D.: Prepared statement 41
Mr. Jonathan Schanzer: Prepared statement 59
Mr. Leslie Campbell: Prepared statement 69
Mr. Bruce Riedel: Prepared statement 77

APPENDIX

Hearing notice 92
Hearing minutes 94
The Honorable Howard L. Berman, a Representative in Congress from the State of California, and Chairman, Committee on Foreign Affairs: Prepared statement 96
The Honorable Ron Paul, a Representative in Congress from the State of Texas: Prepared statement 98
The Honorable Diane E. Watson, a Representative in Congress from the State of California: Prepared statement 100
The Honorable Mike Pence, a Representative in Congress from the State of Indiana: Prepared statement 101
The Honorable Russ Carnahan, a Representative in Congress from the State of Missouri: Prepared statement 103
The Honorable Gerald E. Connolly, a Representative in Congress from the State of Virginia: Prepared statement 104
The Honorable Sheila Jackson Lee, a Representative in Congress from the State of Texas: Prepared statement 106
Material submitted for the record by the Honorable Jim Costa, a Representative in Congress from the State of California 112
Questions submitted for the record by the Honorable Russ Carnahan and responses from:
The Honorable Jeffrey D. Feltman 115
Christopher Boucek, Ph.D. 118
Mr. Jonathan Schanzer 119
Mr. Leslie Campbell 120
Mr. Bruce Riedel 122

Page

Questions submitted for the record by the Honorable Michael T. McCaul, a Representative in Congress from the State of Texas, and responses from:
The Honorable Jeffrey D. Feltman 123
Christopher Boucek, Ph.D. 126
Mr. Jonathan Schanzer 130
Mr. Leslie Campbell 133
Mr. Bruce Riedel 135
Questions submitted for the record by the Honorable Barbara Lee, a Representative in Congress from the State of California, and responses from:
The Honorable Jeffrey D. Feltman and the Honorable Robert F. Godec 136
Christopher Boucek, Ph.D. 144
Mr. Jonathan Schanzer 147
Mr. Leslie Campbell 151
Mr. Bruce Riedel 154

YEMEN ON THE BRINK: IMPLICATIONS FOR U.S. POLICY

WEDNESDAY, FEBRUARY 3, 2010,

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC.

The committee met, pursuant to notice, at 9:31 a.m. in room 2172, Rayburn House Office Building, Hon. Howard L. Berman presiding.

Chairman BERMAN. The committee will come to order. In a moment I will recognize myself and the ranking member for 7 minutes each for purposes of making an opening statement. Without objection, all of the members may submit opening statements or additional materials for the record. Before we get to the statements, let me take a moment to inform my colleagues about some upcoming committee hearings and other events. We are still trying to deal with next week's hearing and the administration's ability to testify at a Haiti hearing versus all the other things they have to do in terms of Haiti, but on Wednesday, February 24, the committee will host members of the Russian Duma Foreign Affairs Committee for a series of meetings on key issues, including Iran, regional conflicts, arms control, trade and energy.

The following day we will welcome Secretary of State Clinton for her annual testimony on the international affairs budget. That will be February 25. In the near future, we are hoping to hold hearings on a number of other topics, including the upcoming nonproliferation treaty review conference, export controls and foreign assistance reform. Now, I will yield to myself.

With so many pressing issues in the Middle East, the country of Yemen has received relatively little public attention since the October 2000 bombing of the USS *Cole*, but all that has changed in the last 3 months.

On November 5, 2009, 12 brave soldiers and one Army civilian were brutally gunned down at Fort Hood, Texas, by an Army psychiatrist with links to a radical Yemeni-American cleric. On Christmas Day, a young, Nigerian man who had plotted with al-Qaeda operatives in Yemen tried to bring down Northwest Airlines Flight 253. Even before these heinous acts, the Obama administration recognized that Yemen should be a much higher priority and took steps to more than double U.S. economic and military assistance to that country.

Today's hearing will focus on the numerous challenges that endanger Yemen's domestic stability and regional security. These include the presence of al-Qaeda in the Arabian Peninsula, religious

and tribal conflict, separatist movements, dwindling natural resources and a failing economy.

I am going to try to abbreviate part of my opening statement because we do have two panels today.

Yemen is rich in culture, history and geographic beauty, but it is also the poorest country in the Arab world. Yemen's oil, which provides the government with 75 percent of its income, is quickly running out. An even more precious liquid, water, is also quickly running out. Yemen could, in fact, become the first nation ever to exhaust its freshwater supplies.

Then there is the pervasive use of qat, a narcotic plant that produces feelings of euphoria and stimulation, but ultimately undermines individual initiative. Sort of like being in Congress. The overwhelming majority of Yemeni males are known to chew qat, and for many, it is a daily habit. Qat production may use as much as 40 percent of water resources consumed by local agriculture.

The most immediate threats to Yemen's stability are the ongoing civil war against Houthi rebels in the north, a rejuvenated secessionist movement in the south, and a resurgent al-Qaeda. The Houthi rebellion, which began in 2004, spilled across the border and has engaged Saudi Arabia's military forces since November.

The more unstable Yemen becomes, the more likely it is that terrorism will thrive there, threatening U.S. regional interests and our homeland.

After years of tepid bilateral relations, now is the time for the United States to engage Yemen comprehensively. President Obama is working with the Yemeni Government and others to aggressively pursue terrorists. But a policy of counterterrorism in isolation will not suffice. Yemen's deteriorating security is intimately linked to a host of political, economic and social problems. This hearing provides an opportunity to ask some key questions: How important is Yemen's stability to U.S. interests and U.S. security? Is Yemen on the brink of becoming another "failed state"? And, what, if anything, can the United States do to tip the balance in the right direction?

To help us answer these questions, we have two panels of distinguished witnesses whom I will introduce shortly. Before I do, let me turn to the ranking member, Ileana Ros-Lehtinen, for any opening remarks that she would like to make.

Ms. ROS-LEHTINEN. Thank you so much, Mr. Chairman, as always. Thank you for holding this hearing, and thank you for agreeing to the minority's request that we have a government panel and invite administration witnesses to address the critical issue of U.S. policy toward Yemen. I would note that U.S. participation in last week's Yemen conference in London and would be interested in hearing about the outcome of that important conference. We also look forward to receiving more detailed information on the overall strategy to address the challenges in Yemen and other jihadists as a basis, and framework for such a strategy was provided by the Congress through the terrorist sanctuaries provisions of the Intelligence Reform and Terrorism Prevention Act of 2004.

This provision focuses on situations involving a government that either expressly consents to the use of its territory to be used by jihadists, or, with knowledge, allows, tolerates or disregards such

use of its territory by jihadists and other global extremist groups. While Yemen may not yet meet that threshold, it is, unfortunately, coming dangerously close. It is no accident that al-Qaeda found a home in Yemen akin to Afghanistan and Pakistan. The central government does not control the tribal areas of Yemen, its borders, or, in some cases, its population centers. Like other countries in the region, a small group controls most of Yemen's wealth, which relies on oil revenues.

However, Yemen's oil revenues are rapidly diminishing, compromising the ability of that small group to buy off tribal and commercial interests there. Like Saudi Arabia in 2003, Yemen hosts many radical clerics who promote jihad. A substantial separatist undercurrent has also emerged in the wave of demonstrations sweeping southern provinces from 2007 through 2009. As protestors and government escalate in both violence and rhetoric, the southern movement has become increasingly isolated from northern society, threatening further instability. These risks will increase as oil production continues to fall, as revenues from oil sales provide the foundation for the patronage system holding the country together.

As the chairman pointed out, the ongoing Houthi rebellion has again flared, with Yemenis accusing Iran of interference. The potential for this to spiral out of control cannot be understated or underestimated. Combined with additional local conflicts, many fear that Yemen will continue to dissolve into semiautonomous regions amid various insurgencies which reinforce each other. The U.S. and other leading aid donors and the World Bank have provided significant direct development aid to Yemen over the past decade, over $300 million in Fiscal Year 2008 alone. Other donors have provided additional assistance, but throwing more money at the problem has not improved the situation.

The United States has also increased military and intelligence support to the weak Yemeni Government and its leader over the past several months as al-Qaeda in the Arabian Peninsula has grown bolder. For years, Yemen has established a pattern of appeasement with al-Qaeda elements and has refused to keep wanted al-Qaeda operatives and associates jailed or to transfer them to the United States. Many of these militants initially protected the state from attack by al-Qaeda; however, according to U.S. intelligence officials, al-Qaeda is now targeting the Yemeni state, as well as U.S. and other foreign targets inside and outside Yemen. There is an interesting article in the L.A. Times by Greg Miller entitled "Yemen Group: A Top U.S. Worry."

He says Director of National Intelligence Dennis C. Blair told a Senate panel that American spy agencies have intensified surveillance of the al-Qaeda affiliates' operations and made concerns that the group once considered a regional menace is focused on the recruitment of Westerners and other individuals with access to the U.S. homeland. In light of these developments, I would ask our administration panel: Has the Government of Yemen changed its strategic calculus, its mindset about al-Qaeda and other jihadists? Do we now have a true partner in fighting this threat? There have been numerous reports of Afghan and Pakistan Arabs returning to Yemen, penetrating political, security, tribal and religious institutions.

Former Guantanamo detainees released by the United States pepper the high-level and mid-level ranks of al-Qaeda in the Arabian Peninsula and constitute elements of its operations in Yemen and beyond. Last month, after bipartisan pressure, the Obama administration agreed to stop returning detainees to Yemen; however, this is far too little. We need a coherent policy and a strategy now before Yemen deteriorates to the point of no return and is further used as a launching pad or a staging ground for attacks against our nation and our interests abroad. Thank you, again, Mr. Chairman, for the time and the hearing.

Chairman BERMAN. Thank you. Now, to introduce our first panel. Ambassador Jeffrey Feltman is the assistant secretary of state for near eastern affairs. A career member of the Foreign Service since 1986, Ambassador Feltman previously served as principal deputy assistant secretary in the Bureau of Near Eastern Affairs, and before that, as U.S. Ambassador to Lebanon. Prior to his assignment in Lebanon, he headed the Coalition Provisional Authority's Office in the Erbil Province of Iraq. Ambassador Robert Godec is the principal deputy coordinator for counterterrorism in the Department of State. From 2006 to 2009, Ambassador Godec served as U.S. Ambassador to Tunisia. He has also served as deputy assistant secretary in the Bureau of Near Eastern Affairs and was deputy coordinator for the transition in Iraq. Secretary Feltman, we look forward to your testimony.

STATEMENT OF THE HONORABLE JEFFREY D. FELTMAN, ASSISTANT SECRETARY, BUREAU OF NEAR EASTERN AFFAIRS, U.S. DEPARTMENT OF STATE (FORMER UNITED STATES AMBASSADOR TO LEBANON)

Ambassador FELTMAN. Chairman Berman, Ranking Member Ros-Lehtinen, members of the committee, thank you very, very much for holding this hearing and inviting Ambassador Godec and me to appear before you today. We look forward to working with this committee in efforts to address the many challenges Yemen faces that were outlined by the chairman and the ranking member's opening statements. We would like to submit a lengthier testimony for the record in which we will detail some of these challenges.

Chairman BERMAN. Your entire testimony will be included in the record.

Ambassador FELTMAN. Last week I was in London at the meeting that Ranking Member Ros-Lehtinen mentioned with Secretary Clinton. This meeting focused on many of the issues and challenges that we will be discussing today. The United States, the United Kingdom, our Arab partners in the Gulf, the Yemeni Government and other international partners reaffirmed our shared goal of a peaceful, prosperous and united Yemen. The meeting also marked the launch of a process, a process that will continue to coordinate international efforts concerning Yemen in the future. I would like to make four points in the opening statement and then look forward to answering any questions that the committee may have.

The first point, as Chairman Berman said, is that Yemen has been a top U.S. foreign policy priority since this administration took office 1 year ago. Given the gravity and the complexity of the situation in Yemen, the Obama administration launched a full-

scale policy review shortly after coming into office recognizing the increasing importance of dealing with Yemen in strategic, not just tactical, terms. The resulting strategy is twofold: Bolstering and supporting Yemen on the security side, and promoting good governance and development on the socio-economic and governance side. We believe that focusing on one dimension at the exclusion of the other is simply not going to work.

The attempted terrorist attack on Christmas Day served as a wake up call to some regarding the apparent growing capability of al-Qaeda affiliates in Yemen to carry out attacks beyond the Middle East, but it confirmed what many of us have known for years: Militant extremists in Yemen are able to operate in the unsettled environment there, and they threaten U.S. national security as well as Yemen interests and the interests of key allies. With the support of this committee and Congress we have been steadily ramping up security development assistance since Fiscal Year 2008.

Recognizing the toxic effect of deteriorating governance, and human rights protections and stagnant development, the United States Government has developed an assistance strategy that will take aim at Yemen's social and economic challenges. The second point I would like to emphasize is that we are not alone in engaging Yemen to improve the situation there. The international community, and particularly Yemen's neighbor states, is well aware that it must help Yemen address its security and economic challenges both in the short and the long term, and I think that the London meeting illustrated that commitment. We will continue to coordinate closely with other countries to work with the Government of Yemen to bolster its ability to deliver services to its people, to fight corruption and to confront the threat posed by al-Qaeda and other violent extremists.

Third, just picking up on some points that Ranking Member Ros-Lehtinen said, we are realistic about the capabilities of our Yemeni partner. The Government of Yemen is beset by many, many challenges, including unrest in the south of the country and a violent conflict in parts of the north. The government's ability to provide services and exercise its authority is inconsistent over different parts of its territory. Its track record on human rights, on governance, and on anticorruption also has been wanting and is in need of intense focus and attention. In terms of the Government of Yemen's determination and willingness to confront the threat of al-Qaeda-related militants in the country, we should be, and, in fact, we are, encouraged by recent steps that the government has taken.

Our partnership and support for Yemen's counterterrorism measures is not an endorsement of all the government's policies. In fact, we are supporting government reform efforts, education and training initiatives and an emerging civil society in order to promote better transparency in governance, better human rights protection and to ensure that the Yemeni people can participate in shaping and addressing national priorities. We will continue to seek improvements in all of these areas, even as we help the government take on al-Qaeda. Fourthly, finally, I would like to emphasize the importance of your support and the participation of all U.S. Government agencies in our pursuit of success in Yemen.

As Secretary of State Clinton said recently, in states where the odds of succeeding may be long, "the risks of doing nothing are far greater." In Yemen, the complexity of the economic, political and security situation truly require a whole of government approach to our policy. We cannot afford to neglect the experience, the resources or the leverage available across our Government. Thank you, and I look forward to your questions.

Chairman BERMAN. Ambassador Godec?

STATEMENT OF THE HONORABLE ROBERT F. GODEC, PRINCIPAL DEPUTY COORDINATOR FOR COUNTERTERRORISM, OFFICE OF THE COORDINATOR FOR COUNTERTERRORISM, U.S. DEPARTMENT OF STATE (FORMER UNITED STATES AMBASSADOR TO TUNISIA)

Ambassador GODEC. Chairman Berman, Ranking Member Ros-Lehtinen, distinguished members of the committee, thank you for the opportunity to appear today to discuss the challenge of Yemen, the threat of terrorism and the way ahead on U.S. policy. I join Assistant Secretary Feltman in asking that our joint written testimony be entered into the record.

Chairman BERMAN. It is part of the record without objection.

Ambassador GODEC. I would like to build on my colleague's statement and make three points. First, the threat from al-Qaeda in Yemen is not new, but it is clearly evolving. The presence of al-Qaeda in Yemen goes back to before the USS *Cole* attack in 2000 when al-Qaeda affiliates attempted to kill U.S. servicemen on their way to Somalia. The group has carried out a string of attacks on embassies, tourists and the security services in Yemen in the past couple of years. In August 2009, the newly established al-Qaeda in the Arabian Peninsula, AQAP, launched a failed attack against the chief of counterterrorism in Saudi Arabia, and, of course, AQAP has claimed credit for the attempt on December 25 by the Omar Farooq Abdulmutallab to bomb Northwest Flight 253.

This was the first time that an al-Qaeda affiliate demonstrated the will and the capacity to attempt a strike on the continental United States. Second, well before December 25, the U.S. Government was engaged in Yemen, and specifically, this administration has focused on Yemen since day one. The two pronged strategy described by Assistant Secretary Feltman will help Yemen confront the immediate security threat posed by AQAP and will also address the serious longer term political and economic issues and challenges that drive extremism. This strategy requires full Yemeni partnership. It also requires close cooperation with regional partners and allies, and it requires hard work and American resources.

The challenges are great and many, but the risk of doing nothing is grave. With support from Congress, U.S. security assistance to and engagement with our Yemeni partners has increased in recent years. The Departments of State and Defense provide training and assistance to Yemen's key counterterrorism units. Working with DOD, we currently give substantial Section 1206 counterterrorism assistance to Yemen. Through our antiterrorism assistance program we provide training to Yemen security forces. We are currently consulting with the Yemeni Government and assessing Yem-

en's security requirements to identify opportunities to further strengthen Yemen's counterterrorism capacity.

In the last year, senior administration officials have traveled to Yemen frequently: General Petraeus; Assistant to the President, John Brennan; Assistant Secretary Feltman; and, most recently, the coordinator for counterterrorism, Ambassador Dan Benjamin. All of them have stressed during their trips our deep concern about AQAP. Our engagement is paying off. President Saleh and the Yemeni Government have shown increased commitment to confront AQAP. In the past 2 months, Yemen has conducted multiple operations designed to disrupt AQAP's operational planning and deprive its leaders of safe haven. Yemen has significantly increased the pressure on AQAP. It has carried out air strikes and ground operations against senior al-Qaeda targets.

While these security operations are essential, delegitimatizing AQAP also requires addressing Yemen's cycle of radicalization while we build Yemeni institutions. A key part of our work to disrupt, dismantle and defeat al-Qaeda in the Arabian Peninsula is to assist the Yemeni people to build strong institutions and forge a better future. Third, regional and international cooperation is fundamental to our security strategy. The threat of terrorism in Yemen is a common challenge. It is a problem that will require engagement with our partners, particularly those in the region. Secretary Clinton has said today's security threats cannot be addressed in isolation.

Last week's London meeting, during with the international community reiterated its prior commitments to aid development and security, was a good start. Now we must follow-up to build on the momentum. Ultimately, the goal of U.S. and international efforts in Yemen must be a stable, secure and effectively governed country. It is the only road to success in our counterterrorism strategy. Toward this end, while we work with Yemeni security forces we will also assist the government and people to strengthen institutions, build infrastructure and deliver services. As the Government of Yemen grows more transparent and responsive and Yemenis find hope for their future, the seeds of extremism and violence will find less fertile ground and the threat of al-Qaeda in the Arabian Peninsula will truly recede. We look forward to continuing our work with Congress, and this committee specifically, as we refine and implement our strategy. I look forward, too, to your questions. Thank you.

[The prepared statement of Ambassadors Feltman and Godec follows:]

TESTIMONY OF
AMBASSADOR JEFFREY D. FELTMAN
ASSISTANT SECRETARY OF STATE FOR NEAR EASTERN AFFAIRS
AND
AMBASSADOR ROBERT F. GODEC
PRINCIPAL DEPUTY COORDINATOR FOR COUNTERTERRORISM
BEFORE THE HOUSE COMMITTEE ON FOREIGN AFFAIRS
FEBRUARY 3, 2010

Mr. Chairman, Ranking Member Ros-Lehtinen, and Distinguished Members of the Committee:

Thank you for the opportunity to appear before this Committee today to discuss this important subject.

The unsuccessful attack on a U.S.-bound aircraft on December 25, 2009 serves as a further reminder of the threats that can emerge when ungoverned and poorly governed places around the world are exploited by terrorists. Last week, the United Kingdom hosted an international meeting in London to address these threats and the situation in Yemen. This meeting offered us, the Government of Yemen, and the international community an opportunity to discuss the challenges Yemen faces and to reaffirm our shared goal of a Yemen that is peaceful, prosperous, democratic, and united. While the United States must and will continue to focus on the immediate threats of terrorism, the London meeting also reaffirmed our commitment to address the conditions that have allowed violent extremists to operate in Yemen. In the coming months the international community will provide the technical assistance and political backing to Yemen's discussion of an IMF program. We will support and help the government to confront immediate challenges while also paving the way for further necessary economic reforms. We also reached a renewed consensus that the international community, and Yemen's Gulf neighbours in particular, will work with Yemen to help address the country's confluence of developmental problems through improving capacity and capabilities. The Gulf Cooperation Council Secretary General will host a meeting of Gulf and other partners of Yemen in Riyadh on February 27-28. This meeting will share analysis on the barriers to effective aid in Yemen, leading to a joint dialogue with the government of Yemen, including on priority reforms.

The United States and the international community have been engaged in supporting better governance, sustainable development, and improved security in Yemen for years. Recognizing the growing threat emanating from Yemen, the United States has been significantly ramping up levels of both security and development assistance since FY 2008. In addition, this administration has developed a new, more holistic Yemen policy that not only seeks to address security and counterterrorism concerns, but also the profound political, economic, and social challenges that help Al-Qaeda and related affiliates to operate and flourish.

Context for U.S. policy toward Yemen:

Due to increasing concerns about instability in and threats emanating from Yemen, the Obama administration decided to undertake a full-scale review of our Yemen policy, under the aegis of the National Security Council, in the spring of 2009. The primary threat to U.S. interests in Yemen and a grave threat to the security and stability of the Government of Yemen (ROYG) is the presence of Al-Qaeda-related extremists in the country. This threat was brought home to the American public by the attempted bombing of NWA flight #253 on Christmas Day. As President Obama noted, the suspect "traveled to Yemen, where it appears that he joined an affiliate of Al-Qaeda, and that this group – Al-Qaeda in the Arabian Peninsula (AQAP) – trained him, equipped him with those explosives, and directed him to attack that plane headed for America."

The Al-Qaeda threat in Yemen is not new. Indeed, Al-Qaeda has had a presence in Yemen since well before the United States had even identified the group or recognized that it posed a significant threat. In 1992, Al-Qaeda militants attacked a hotel in Aden where American military personnel were staying, en route to Somalia to support the UN mission. Two individuals were killed, neither of them American. In the 1990s, a series of major conspiracies were based in Yemen, most of them aimed at Saudi Arabia. Following the attack on the U.S.S. Cole in 2000, the Yemeni government, with support from the U.S., dealt significant blows to Al-Qaeda's presence in Yemen through military operations and arrests of key leaders. During much of the subsequent period, the Government of Yemen became distracted by other domestic security concerns, and our bilateral cooperation experienced setbacks. After the May 2003 Al-Qaeda attacks in Saudi Arabia, the Kingdom of Saudi Arabia dramatically improved its counterterrorism efforts. Many radicals fled Saudi Arabia for Yemen, joining other fighters who had returned from Afghanistan and Pakistan. A group of senior Al-Qaeda leaders escaped from a Yemeni prison in 2006, further strengthening Al-Qaeda's presence.

For the last five years, these terrorists have carried out multiple attacks against Yemenis, Americans, and citizens of other countries. In January 2009, the leader of Al-Qaeda in Yemen (AQY), Nasir al-Wahishi, publicly announced that Yemeni and Saudi Al-Qaeda operatives were now working together under the banner of Al-Qaeda in the Arabian Peninsula (AQAP). Evidence of the December 25 conspiracy indicates that AQAP has become sufficiently and independently capable of carrying out strikes against the United States and allies outside of the Arabian Peninsula, including in the U.S. homeland.

Upon entering office, the Obama administration quickly understood that this Al-Qaeda-related activity, as well as poor and deteriorating development indicators – including poverty, illiteracy, and a lack of access to health care – troubling human rights conditions, and a bleak long-term economic outlook, demanded a reappraisal of our Yemen policy. We needed a strategy able to match the complexity and gravity of the challenges facing Yemen.

The U.S. Government review has led to a new, whole-of-government approach to Yemen that aims to mobilize and coordinate with other international actors. Our new strategy seeks to address the root causes of instability, encourage political reconciliation, improve governance, better protect the fundamental rights of its citizens, and build the capacity of Yemen's government to exercise its authority, protect and deliver services to its people, and secure its territory.

A two-pronged strategy:

U.S. strategy toward Yemen is two-pronged: (1) strengthen the Government of Yemen's ability to promote security and minimize the threat from violent extremists within its borders, and (2) mitigate Yemen's economic crisis and deficiencies in government capacity, provision of services, transparency, and adherence to the rule of law. As Yemen's security challenges and its social, political, and economic challenges are interrelated and mutually reinforcing, so U.S. policy must be holistic and flexible in order to be effective both in the short and long term.

The Government of Yemen faces a variety of security threats as well as challenges to the country's very cohesion. Three are particularly acute: the presence of Al-Qaeda and other violent extremists, the Houthi rebellion in the north of the country, and an increasingly militant protest movement in the south that has taken on secessionist overtones.

The violent conflict in the Sa'ada governorate of northern Yemen between the central government and Houthi rebels, and the protest movement in the South, which has led to riots and sporadic outbreaks of violence, are fueled by long-standing grievances. Just as the United States deplores the use of violence by these groups to achieve their political goals, a solely military approach by Yemen cannot produce a lasting and sustainable end to conflict.

The continued fighting in the north against Houthi rebels has dire humanitarian consequences, with thousands killed and over 250,000 displaced in sometimes appalling conditions. We continue to call for a ceasefire and to encourage both parties to return to negotiations. While this is the sixth round of fighting and previous ceasefires did not last, we believe that serious political negotiations can address the core grievances that fuel the conflict as well as ensure that the Houthi rebels do not rearm or again threaten the Yemeni state. The United States will support the Government of Yemen's efforts to achieve a lasting peace that allows for the provision of humanitarian and development assistance in Sa'ada, and will encourage its Gulf neighbors and other partners to do so as well. To assist those displaced by the conflict, USAID's Office of Food for Peace has donated $7.4 million in emergency food aid and the Office of Foreign Disaster Assistance has contributed $3.1 million to relief efforts. The State Department's Bureau of Population, Refugees, and Migration has contributed $4.4 million to the United Nations High Commissioner for Refugees and $1.5 million to the International Committee of the Red Cross to provide critical assistance to IDPs and conflict-affected populations in northern Yemen in Fiscal Year 2009.

The southern protest movement in Yemen is also extremely worrisome. The ROYG and southern leaders need to engage in a political dialogue that addresses political and economic grievances that stretch back to Yemen's unification in 1990. Decentralization offers one possible approach through which the central authority can devolve power and resources to individual governorates, encouraging local solutions to long-standing grievances. The U.S. Agency for International Development (USAID) and other donors have supported – and will continue to support – Yemeni decentralization reforms and their implementation.

Al-Qaeda, related extremists, and other destabilizing non-state actors, to include criminal networks and tribal actors, benefit from these challenging circumstances in Yemen, including a weak central-government presence in the country's most restive areas. Despite certain commonalities, little evidence has emerged that the activities of these various non-state actors are related, although we must remain mindful of that potential.

In the past year, senior administration officials have traveled to Yemen frequently, including, most recently, State Department Coordinator for Counterterrorism Daniel Benjamin, General David Petraeus, Deputy National Security Advisor Brennan and Assistant Secretary Jeffrey Feltman to press our concern about Al-Qaeda's ability to operate from and within Yemen. The Government of Yemen's willingness to take robust measures to confront the serious threat Al-Qaeda poses to the nation's stability has been inconsistent in the past, but our recent intensive engagement appears to have had positive results. In the past month, Yemen has conducted multiple operations designed to disrupt AQAP's operational planning and deprive its leadership of safe haven within Yemen's national territory. Yemen has significantly increased the pressure on Al-Qaeda, and has carried out airstrikes and ground operations against senior Al-Qaeda targets. The United States commends Yemen on these successful operations and is committed to continuing support for an effective counter-terrorism effort that will include both security and economic-development initiatives.

On the security front, the Departments of State and Defense provide training and assistance to Yemen's key counterterrorism units. Through Diplomatic Security Antiterrorism Assistance (DS/ATA) programs we provide training to security forces in the Ministry of Interior, including the Yemeni Coast Guard and the Central Security Force's Counterterrorism Unit (CTU). Future training could include border control management, crime scene investigation, fraudulent document recognition, surveillance detection, crisis management and a comprehensive airport security/screening consultation and assessment. We also see additional opportunities now to increase our training and capacity-building programs for Yemeni law enforcement. In addition, we are working with the Department of Defense to use 1206 funds for counterterrorism assistance to Yemen. With support from Congress, levels of U.S. security assistance and our engagement with our Yemeni partners has increased in recent years. The Departments of State and Defense coordinate closely in planning and implementing assistance programs.

The United States also engages directly and positively with the people of Yemen through educational and cultural programs and exchanges and grants to civil society organizations. These initiatives contribute to the long-term health of our bilateral relationship and help allay suspicion and misunderstanding. Exchange programs have a multiplying effect as participants return to Yemen and convey to friends and family the realities of American culture and society, dispelling damaging but persistent stereotypes. As public understanding of U.S. policy and American values increases in Yemen, extremist and anti-American sentiment wanes.

Along with severe poverty, resource constraints and governance problems, Yemen also confronts the challenge of a rapidly growing population. Per capita income of $930 ranks it 166th out of 174 countries according to the World Bank. Yemen is highly dependent on oil exports, but its oil production is steadily decreasing. Water resources are fast being depleted. With over half of its people living in poverty and the population growing at an unsustainable 3.2 percent per year,

economic conditions threaten to worsen and further tax the government's already limited capacity to ensure basic levels of support and opportunity for its citizens. Endemic corruption further impedes the ability of the Yemeni government to provide essential services.

The overarching goal of U.S. development and security assistance to Yemen is to improve stability and security by improving governance and helping to meet pressing socio-economic challenges. U.S. bilateral development and security assistance have increased in Yemen from $17 million in FY2008, to $40 million in FY2009. Although final determinations have yet to be made, total FY 2010 assistance will reach $67 million. The President's FY 2011 budget, which was sent to Congress on Monday, includes $106 million for Yemen. These figures do not include approximately $67 million in 1206 funds for FY2009. U.S. security and stabilization assistance targets the economic, social, and political sources of instability in the country, while seeking to make improved conditions sustainable over the long-term by strengthening the governance capacity, political will, and effectiveness of the Yemeni government in addressing these issues. At the same time, our targeted humanitarian assistance is responding to acute humanitarian crises and helping to bridge the gaps between relief and development.

Local conditions vary widely across Yemen's 21 governorates, for reasons related to geography, culture, relationships to the central authority, and governance practices. U.S. assistance must be based on an accurate and localized understanding of communities' needs. As security improves in the country, so will our ability – and that of other international donors – to work with the Government of Yemen to initiate education, health and other development programs in traditionally under-served areas of Yemen. It is essential that the impact of these programs be visible and tangible, that communities feel ownership of the projects being implemented, and that programs encourage positive linkages to legitimate governing structures.

The United States is determined to work with our partners to halt and reverse troubling socio-economic dynamics in Yemen. Priorities for U.S. assistance include political and fiscal reforms and meaningful attention to legitimate internal grievances; better governance through decentralization, reduced corruption and civil service reform; human rights protections; jobs-related training; economic diversification to generate employment and enhance livelihoods, and strengthened natural resource management.

USAID's three-year Yemen strategy will guide USAID's cooperation with the Government of Yemen, including targeting resources to local communities where instability and weak security have caused development efforts to falter. As a part of its new strategy in Yemen, USAID, in partnership with the Yemini Government, will focus on increasing youth employment and other economic opportunities; improving government service delivery in education and health care; supporting transparent, decentralized governance; agricultural programs; and empowering youth, women and other marginalized groups.

Under this strategy, USAID has designed two new programs. The *Community Livelihoods Program* will improve the delivery of basic services, increase economic productivity, and increase community participation using specially tailored interventions in highly vulnerable areas. These interventions will utilize USAID's expertise in the areas of health, education, economic growth, agriculture, and democracy and governance. The program will be flexible in

its responses to the different drivers of instability in each area of operation. A rapid response capability will be combined with longer-term development approaches. For example, a clinic might be repaired but elected local councilors will also be trained to identify, budget, plan and oversee similar development projects in response to community demands.

The *National Governance Program* will work with Yemen's Ministries of Health, Education, Agriculture and their Small and Medium Enterprise Promotion Service to address related but broader government policy, institutional and capacity issues that will include strengthening policy formation and implementation; increasing transparency and anti-corruption; improving decentralization of planning, budgeting and service delivery; and enhancing civil society's ability to influence policy implementation

The Middle East Partnership Initiative (MEPI) works with Yemeni civil society to strengthen good governance and the rule of law, improve internal stability, and empower Yemenis to build a more peaceful and prosperous future. MEPI has 26 active programs in Yemen, including a number of local grant programs. These programs include training for Yemeni government ministries and advocacy and capacity building for emerging civil society and non-governmental organizations. Direct support of Yemeni organizations enables MEPI's assistance programs to be particularly flexible and to access communities in difficult to reach rural areas. MEPI-funded activities are, and will continue to be, coordinated with USAID and other programming.

The Bureau of Democracy, Human Rights and Labor (DRL) operates a program in Yemen to increase public awareness and understanding of religious freedom and tolerance with a particular focus on youth. This program is helping to counter extremism and encourage a culture of tolerance through a combination of training and events. In addition, DRL has solicited proposals for new programs in Yemen to support independent media and access to information, which will help strengthen transparent and accountable governance.

Challenges ahead:

Given the difficult political, economic, social, security, and governance challenges besetting the country, we must recognize progress will not come easily. But, as Secretary Clinton stated earlier this month, "... the cost of doing nothing is potentially far greater."

The ROYG's ability to deliver services is limited by an inefficient, often corrupt, and poorly resourced bureaucracy. The Government's capacity to absorb assistance is similarly complicated by these limitations. In an effort to address these impediments, USAID's national governance program will work to bolster relevant institutions, including the National Audit Board and Supreme National Anti Corruption Commission. At a local level, the new USAID strategy works to promote better interaction between Yemenis and their government. Other donor nations and the World Bank are working to improve Yemen's bureaucracy so that the ROYG can be a better steward of development assistance and a more reliable service provider for its people. Unequal development and political marginalization of certain groups creates additional space for Al-Qaeda to operate and the absence of government services aggravates political disagreements.

Limited and rapidly depleting natural resources also cloud Yemen's future. Oil serves as the government's primary source of revenue with 85-90% of export earnings, though oil production is decreasing and Yemen's reserves are projected to run out in ten to twenty years. Water scarcity is another concern, in part for its negative effect on agricultural production and potential. The United Nations World Food Program has deemed Yemen the most food-insecure country in the Middle East.

Demographically, the country is experiencing a youth bulge: according to a November 2008 USAID-funded study, close to half the population is under the age of 15, and another one-third is between the ages of 15 and 29. Youth unemployment is a major problem, with some data suggesting a rate that is double that of adults. Yemen's population has doubled since 1990 and is set to almost double again by 2025 (from 19.7 million in 2004 to 38 million in 2025). The country's limited resources are inadequate to support the existing and expanding population. These conditions, among other factors, make Yemeni youth susceptible to extremist messaging.

Additional elements of U.S. response:

The United States is engaged with international partners, especially regional states, in working with the Government of Yemen to help address the need for rejuvenating the economy and promoting investment and job creation. Meeting in London in November 2006, the international community pledged $5.2 billion for Yemen, although a significant portion of those funds has yet to be provided, in part due to a lack of confidence in the ability of the Yemeni government to use this support effectively. The United States is providing assistance specifically aimed at increasing the capacity of the ROYG in this regard. We depend in these efforts on the involvement of Yemen's neighbors, which is important not just for Yemen's security, including border security, but also for its economic development. Secretary of State Clinton discussed increasing and coordinating international efforts to support Yemen at meetings during the UN General Assembly in September, 2009 and with members of the Gulf Coordination Council in Morocco in November, 2009.

We acknowledge the regional nature of the terrorism threat and the need for regionally coordinated responses. In consultation with the Office of the Coordinator for Counterterrorism, U.S. ambassadors from the Middle East host regular strategy sessions where interagency policymakers and representatives of the combatant commands meet to assess threats and devise appropriate strategies, actionable initiatives, and policy recommendations. These regional strategy sessions provide mechanisms for Ambassadors to tackle terrorist threats that one team, or one country alone, cannot adequately address.

United States strategy in Yemen recognizes that improved governance capacity in the country will be key to securing long-term gains, in terms of development indicators and security and stability. Good governance and effective institutions enable effective development work. In order to help make the environment increasingly hostile to the spread of violent extremism, we must help facilitate an improved relationship between Yemeni citizens and their government. The work of USAID, MEPI, DRL, and others is aimed at achieving these objectives.

Conclusion:

We recognize quite clearly that the Al-Qaeda threat emanating from Yemen directly threatens vital U.S. interests. Our approach to the problem of terrorism in Yemen must be comprehensive and sustained, taking into account a wide range of political, cultural and socio-economic factors. Ultimately, the goal of U.S. and international efforts is a stable, secure and effectively governed Yemen. Towards this end, we will work to restore confidence between the Yemeni people and their government through the provision of basic infrastructure and public services. As the Government of Yemen grows more transparent and responsive to the requirements of its citizens, the seeds of extremism and violence will find less fertile ground and a more positive and productive dynamic will begin to prevail.

Chairman BERMAN. Well, thank you both very much. I will yield myself 5 minutes and begin the questioning. The ranking member closed her opening comments with the question do we have a partner in the Government of Yemen to confront and deal with al-Qaeda in the Arabian Peninsula? Now, you have talked about some signs of improvements, of growing commitment. I guess two questions. One, what are the things that could threaten that continued commitment? Are we at the point where we can call it a partnership? In Pakistan we have a sense these days that many different organizations, the Pakistan Taliban, the Afghanistan Taliban, Losher, Tiba, other groups that we consider terrorist groups, along with al-Qaeda, have this level of coordination they may not have had in earlier years. Is any of that taking place in Yemen? The Houthis in the north, the rebellious elements in the south, al-Qaeda in the Arabian Peninsula, is there any morphing of goals and tactics with any of these groups? So that is, I guess, my first two part question.

Ambassador FELTMAN. Mr. Chairman, thank you. The Government of Yemen, let us be frank, has been an inconsistent partner in the past on many of these issues, both on the security side, as well as on the governance and development side. As both of our opening statements indicate, we have been encouraged by the determination that the Government of Yemen has shown in the last couple of months to take on the al-Qaeda threat. We were also encouraged by the determination the Government of Yemen showed at the London conference last week to tackle the development and governance challenges. We will stay engaged on all of these, mindful of the needs and mindful of the past.

In terms of your question about what would threaten the Government of Yemen's determination to continue the fight with al-Qaeda, I will make a couple of comments. First, as some of your own statements noted, the Government of Yemen has been a victim of the al-Qaeda presence in Yemen. We believe that the Government of Yemen fully understands this threat and that helps explain the determination. The Houthis in their current north and the secessionists in the south are different from al-Qaeda in that we believe that these are mostly local grievances. This is mostly based on local politics, longstanding grievances in the south dating back to the time of unification, longstanding grievances in the north. This is different from al-Qaeda.

Chairman BERMAN. But that is the way it started out in Pakistan, too.

Ambassador FELTMAN. These conflicts have a risk of distracting the government from the al-Qaeda challenges, which is one of the reasons we have been calling for a cease fire. We are encouraged by the fact that the Saudis and the Houthis seem to be deescalating their own conflict, with the Houthis declaring a cease fire with Saudi Arabia. We want to see a cease fire in the north that leads to the type of political reconciliation that will address the grievances of the north and not make the Houthi conflict a distraction from the fight against al-Qaeda.

Chairman BERMAN. Okay. Let me just interject there because I only have 1 more minute and I do want to get this question out there for an answer. The Yemeni Government, backed by the

Saudis, has made numerous claims that the Iranian Government is militarily, financially and politically supporting the al-Houthi rebellion in northern Yemen. Many observers dispute this. Is there evidence that Iran is materially supporting the Houthis? What influence does the Iranian Government have in Yemen?

Ambassador FELTMAN. We think at heart, at base, this is a local conflict. These are local grievances. We have heard the accusations, we are aware of the threat, we certainly are aware of Iranian misbehavior in the region, places like Lebanon, Iraq, et cetera, but this is overwhelmingly a local issue, and we have called for outsiders not to interfere. Let us see this solved locally.

Chairman BERMAN. Anything to add, Ambassador?

Ambassador GODEC. Mr. Chairman, I would just——

Chairman BERMAN. I have 9 seconds.

Ambassador GODEC [continuing]. Say that I believe Assistant Secretary Feltman is exactly right in his remarks.

Chairman BERMAN. Okay. My time has expired. The ranking member is recognized for 5 minutes.

Ms. ROS-LEHTINEN. Thank you so much, Mr. Chairman. I wanted to ask the excellent panelists about the budget increases that have been presented. It was just recently released, the Fiscal Year 2011 budget, and it increases assistance to Yemen $106 million, more than six times the $17 million that was spent in Fiscal Year 2008. Economic support funds are increasing almost sevenfold in just 1 year from $5 million in Fiscal Year 2010 to $34 million for Fiscal Year 2011. So I wanted to ask about those numbers. First of all, can that be absorbed on the ground to accommodate such an increase in funding?

Does the Embassy have the ability to project its presence on the ground to implement this funding and this programming effectively? Also, how does the Yemeni Government itself have the ability to absorb all of this increase? Related to that, what are the performance metrics? How do we judge success and how we are doing with this funding and programming? Lastly, what conditions are we placing on U.S. assistance to the Government of Yemen, particularly regarding the implementation of its financial sector and economic reform program? So it is basically the budget, how it is going to be absorbed, how can we measure success of our funding, and what the Yemeni Government is doing.

Ambassador FELTMAN. Ranking Member Ros-Lehtinen, thank you. I mean, I should say from the outset that there is no cash going to the Government of Yemen. I think we all understand that. This is technical assistance, this is support, these are helping get services delivered to the people at the local level, but this is not a question of transferring cash to the Government of Yemen. In September, USAID signed a new strategy, a 3-year strategy, with the Government of Yemen that has two pillars that get at some of the questions that you have asked. One pillar is called a communities' livelihood program, the other part is national governance program. It is getting at the capacity issues in both directions.

For the first part, the community livelihoods initiative, it is building capacity at the local level, helping services get delivered at the local level: Health, education, youth employment. How do you organize civil society, support civil society so that they can en-

gage with their local officials, and at the national level, building capacity on budget transparency, decentralization, issues like this? So we are working both locally and nationally in order to build capacity to help the Government of Yemen deliver services, create jobs, and create economic opportunities. It is definitely a challenge working in Yemen for security reasons, but USAID, U.S. State Department, other U.S. Government agencies now have quite a lot of experience in dealing in insecure environments and how you deliver, monitor, your assistance.

In terms of conditionality, I want to go back to the London conference for 1 minute because this was a question that everyone had in London was conditionality and absorb to capacity. There were $5.2 billion committed to Yemen a few years ago at a Friends of Yemen conference hosted in London. Most of that was coming from the Gulf. Most of that hasn't been delivered. It hasn't been delivered because of questions of capacity, questions about conditionality. So the international community is working together to address these, sending a unified message to the Yemenis about what we expect in terms of transparency, in terms of responsiveness to real needs, in terms of delivering services across the country, and the unified message in terms of help and building the capacity of the government. So it is more than just the United States that are sending a message to the Yemenis about their need to deliver, it is all of us working together.

Ms. ROS-LEHTINEN. Thank you very much.

Chairman BERMAN. The time of the gentlelady has expired. The chairman of the Middle East and South Asia Subcommittee, the gentleman from New York, Mr. Ackerman, is recognized for 5 minutes.

Mr. ACKERMAN. Thank you, Mr. Chairman. Wow! Well, first, you talk about the risk of doing nothing, and I couldn't agree with you more on that, but I think, as we all know, there is a risk of doing everything. It seems to me that we have been trying to do everything, everywhere, mostly by ourselves in a lot of instances, and we are starting to lack the resources, or the ability, or the will of the American people to do that, but you still can't do nothing. I think we should be looking at the problem of trying to do everything. This place, I don't know if I would call it looking like it is going to be a failed state. I don't know that they ever got to the real state status in order to become a failed state afterwards.

I can't remember when. I mean, you know, you have got the Hatfields and the McCoys, you have got the Houthis and the whatevers, and you have the separatists, and you have al-Qaeda filtering or flooding in, depending on your perspective, and these people spend the afternoon getting away from reality by the whole country getting high and like, wow, we have got no problems, just, we are running out of gas, we are running out of water, we have no resources for ourselves, so let us forget about it. I think we have to look around in the neighborhood and try to figure out what we do to help, and, you know, there are the Saudis who are unrealistic about the whole thing to begin with, I think.

Somebody has to tell our friends over there that they have to be part of the solution, the real solution, not just throwing some money into the thing. Maybe they should go into one of these air-

port machines and do a full body scan and figure out that this place next door is really a wart that is on their butt, and they better do something about it because it is starting to turn malignant. I understand you could even spread it through someone else's underwear. This thing is highly problematic. My question is, instead of looking, or in addition to looking for allies within the government in Yemen, why aren't we doing more looking for allies within Saudi Arabia and getting them to focus not just on throwing in $1 billion and let us see what happens, but helping to provide some infrastructure, some technology, some help, some support to try to build the place because it seems to me they are a heck of a lot closer than we are, and you don't need one of these long flights to mess up Saudi Arabia.

I think they really know that, but I don't think they are focused on real solutions. Do we have a partner there? Can we spend more time walking them through what they should be doing or how we could help them do what they know they should be doing?

Ambassador FELTMAN. Congressman Ackerman, I don't have the felicitous terms or phrases that you do, but——

Mr. ACKERMAN. Whatever that means, I take it as a compliment. Maybe you could provide an answer in whatever terms.

Ambassador FELTMAN [continuing]. We agree with you. We agree with your basic point. The GCC countries, Saudi Arabia in particular, and the GCC as a whole, have vital interest in Yemen. They are the immediate neighbors of Yemen and they have faced the immediate threats that emanate from Yemen. You know, Ambassador Godec mentioned the August attempted assassination of Deputy Minister of Interior Prince Mohammed bin Nayef in Saudi Arabia. Saudi Arabia and the GCC have to be part of the solution. Part of the discussions at the meeting in London last week was how do we initiate a process? We don't want simply a meeting, we want a process of addressing the long and short term security, and development and governance challenges in Yemen.

The GCC countries have stepped up as a response to London and said, okay, fine, we are going to have a meeting February 27 and 28, the GCC meeting in Riyadh, to talk about Yemen in-house with the Yemenis talking about Yemen. We see a new seriousness on the part of the GCC countries to work directly with the Yemenis on their own, and also to work with us in the international community.

Mr. ACKERMAN. But the history of that seems to be just send them in some money and here you go, guys, fix your problem. It is hard to tell a patient, you know, here is $1 million, go cure yourself. I think we have to have a more serious bilateral discussion. with the Saudis in particular, others as well, but sit down in a room with the Saudis, my suggestion, and say, look, guys, here is what I think you really have to do. Not just put money in there, but you have to do A, B, C and D, to help build this place into a real place with some sense of leadership, with some sense of being able to build a state that can control themselves. They are living in a world of illusion over there.

Ambassador FELTMAN. We agree with you on working with the Saudis 100 percent.

Mr. ACKERMAN. Thank you.

Chairman BERMAN. The time of the gentleman has expired. The gentleman from Arizona, Mr. Flake, is recognized for 5 minutes.

Mr. FLAKE. I thank the chairman, and I thank the witnesses. I am sorry I wasn't here to hear your testimony. I have not had a chance to really go through it, so forgive me if you have gone through this already. We have known for, well, really since the Fort Hood shooting, and suspected before that, that there were problems there in Yemen. Can you tell me what the state is doing now that it wasn't doing before? Is it just a matter of intensity: We have got to build institutions faster, we have got to work for the government there, we have got to get the neighbors involved, or is it a complete change in focus? What is happening today that wasn't, you know, 6 months ago?

Ambassador FELTMAN. Sorry to monopolize the hearing, Bob. In fact, the administration came into office last year and looked around the world and focused on Yemen as one of the priorities very early on in the administration, both in terms of development and governance challenges and in terms of the security challenges. There has been a series of meetings that Ambassador Godec and I and our bosses have attended since last year, a lot of meetings on Yemen, where we developed this two pronged strategy I was describing earlier addressing governance and development challenges, and addressing security challenges. What has happened since December 25, though, is we have the ability of really engaging the region and international partners.

It was as a result of the December 25 attempted attack that led British Prime Minister Gordon Brown to issue the invitation, issue the call for the Yemen conference that I attended last week with Secretary Clinton. This is allowing us to coordinate our approach, coordinate our messages, get international support and basically use the international community and regional partners as increased leverage to address challenges in Yemen. So the December 25 attempted attack did not wake up the United States regarding the United States administration's challenges in Yemen, but it did allow us to use the international community in new ways.

Mr. FLAKE. We have had a number of successful predator strikes in Yemen of terrorists over the past couple of years, is my understanding. How does that impact the work that the State Department does? Is it understood by the government? How much are those moves by the U.S. supported by the government there such as it is?

Ambassador GODEC. Congressman, I think I would just underscore that the United States is cooperating very closely with the Yemeni Government in a variety of ways on the fight on counterterrorism. They understand the contributions that we are making by way of training and assistance. They value it. I know they find it very important. We have been working very closely with them to address the threat, which they take now very seriously. I do think that recent developments, the actions of the government, have underscored just how seriously they take it and how they do intend to address this problem.

Mr. FLAKE. So to the extent that there was push back from government, that is lessened now after recent activity, or was there no push back early on? Have they been cooperating all along?

Ambassador GODEC. I think it is fair to say that the cooperation across time has been uneven. There have been instances and times and places in the past where the cooperation is not everything that we hoped it would be. I do think that their recent actions, however, show on the part of President Saleh and the government a new commitment and a strong commitment to cooperate with us on counterterrorism.

Mr. FLAKE. Thank you. I yield back.

Chairman BERMAN. I thank the gentleman. His time has been yielded back. Now the gentlelady from California, Ms. Lee, is recognized for 5 minutes.

Ms. LEE. Thanks very much, Mr. Chairman. Let me thank you both for being here. Just to reiterate the fact that the implications of this country's stability on U.S. policy in Yemen and the surrounding region in the larger context of our efforts to curb extremism around the globe, you all are really, I think, charting a new course in a new direction. The presence of al-Qaeda in Yemen and elsewhere in the Arabian Peninsula really further illustrates the difficulties, of course, that we will face in sustaining efforts to reduce extremism if the United States engages these challenges with military centric solutions.

I can't help but wonder and want to ask you this question about any thoughts or discussion with regard to any authorization to use force against Yemen. Of course, we, you know, conducted military actions in Afghanistan and Iraq as part of our strategy. It is very similar now in terms of what is taking place in Yemen. I wanted to find out, I hope not, but has that been on the table for discussion? Secondly, I don't know if you mentioned the numbers of al-Qaeda members that we think are in Yemen versus Afghanistan to get a sense of, you know, where the real fight is. Thirdly, I would like to just ask about the increase in funding aimed at building Yemen's military and counterterrorism capacity, but also, the zeroing out of development assistance and what that means given our overall strategy in terms of what we are trying to do on the development front, which you have laid out.

Ambassador FELTMAN. Representative Lee, first of all, the President has been clear, Admiral Mullen has been clear, General Petraeus has been clear, we are not talking about U.S. combat boots on the ground in Yemen. You know, we are not looking at a situation like in Iraq or Afghanistan, something like that. We are looking at supporting a new determination by the Government of Yemen to go after the al-Qaeda threat. We are providing support to the Government of Yemen in its own fight against al-Qaeda. That certainly is in our interest. On the number of al-Qaeda, you asked specifically, I will quote the Foreign Minister of Yemen. Foreign Minister Qirbi of Yemen has said that they estimate, the Yemenis estimate, 200 to 300. I don't have anything more to add on top of what Foreign Minister Qirbi would say in terms of numbers.

Ms. LEE. Excuse me. Correct me if I am wrong, but there are fewer al-Qaeda members in Afghanistan than in Yemen?

Ambassador FELTMAN. Since my writ ends at Iran, I will defer to Ambassador Godec.

Ambassador GODEC. I think that, you know, there are many al-Qaeda, unfortunately, around the world in a range of places. They

do pose a threat. It is not always easy to get a precise handle on the exact number of al-Qaeda in any given location. They do obviously pose a real threat, whether it be in Yemen or Afghanistan.

Ms. LEE. Okay. So we don't know the numbers in Afghanistan at this point or not?

Ambassador GODEC. Congresswoman, I would be happy to get back to you with an estimate on that, if you would like. We would be happy to take that back.

Ms. LEE. Yes, I would like that. Okay. Thank you.

Ambassador FELTMAN. Representative Lee, you asked about the development assistance. If you note, what we have done is we have increased the ESF, that we are moving into a situation where we are using ESF as our tool rather than development assistance, so the overall levels of assistance have been going up since Fiscal Year 2008. There is some, you know, shifting between the budget lines, but the overall level is going up in order to help the Government of Yemen address the challenges, and particularly, as I said earlier, to try to work at the local level, to try to show delivery of services at the local level and do job creation at the local level.

Ms. LEE. Okay, but it is my understanding, correct me again if I am wrong, that even with the ESF funds and the development assistance account we are still looking at a reduction of about $6 million over the previous year.

Ambassador FELTMAN. I will look at the numbers carefully. The overall assistance, not counting the 1206 money, in Fiscal Year 2008 we were providing about $17 million, Fiscal Year 2009 amounted to about $40 million, Fiscal Year 2010 amounts to $67 million, and the President's budget request that was just submitted has $106 million for Fiscal Year 2011. So, in fact, we are on a steady increase on both tracks of our policy which means providing security assistance and providing assistance for development.

Ms. LEE. Okay. Finally, let me just ask you how many Americans are living in Yemen? Do we have an idea?

Ambassador FELTMAN. You know, our Embassy would definitely have an idea, and I will have to get back to you on what they report their estimates are.

Ms. LEE. Okay. But primarily are they U.S. Government workers, personnel?

Ambassador FELTMAN. Representative Lee, it seems that the estimate from the Embassy and consular affairs section is 40,000 to 50,000.

Ms. LEE. 40,000 to 50,000. Okay. Thank you very much. I yield the balance of my time.

Chairman BERMAN. The time of the gentlelady has expired. The gentleman from Indiana, Mr. Burton, is recognized for 5 minutes.

Mr. BURTON. Thank you, Mr. Chairman. Going back to the chairman's question about Iran, Ambassador Feltman, you described Iran's activities as misbehavior. Misbehavior? And that the United States has asked regional neighbors not to interfere in Yemen's internal affairs. That hasn't seemed to work in Lebanon, or Iraq, or North Africa. Are we underestimating Iran's interests and activities in Yemen?

Ambassador FELTMAN. Representative Burton, I am sorry if my choice of words didn't properly convey how serious the challenge

Iran poses to U.S. interests in the region are because it is enormous. I was Ambassador in Lebanon. I saw up close how damaging to Lebanon's security the presence of Hezbollah and Iranian support for Hezbollah is. I do not underestimate the challenge that Iran poses or its——

Mr. BURTON. Well, the reason I bring that up is the attitude of the administration has been to try to talk to all these people around the world and work out our differences verbally and continue to go on, and on, and on saying, you know, that we are going to do this, or we are going to do that, we are going to impose sanctions if they don't change, stop their nuclear development program, stop the terrorists in Yemen, and so on and so forth, or stop their assistance to them, and things don't change. It just continues to get worse. We have had two attempts in the last year by people who were at least partially involved or trained by al-Qaeda terrorists in Yemen, and it just seems like we ought to use stronger language and really be stronger in our interrogation of these people.

One of the things that has concerned me is officials over in the Senate testified that an elite interrogation team created to replace a controversial CIA program dismantled by President Obama last year is now operational. It is not operational, is it? Does anybody know who it is? I have no idea who it is. Have you heard of who that is, either one of you? I mean, is it operational, and, if so, who have they been interrogating, and have they gotten any information, and, you know, what is the result?

Ambassador GODEC. Congressman, I am aware that there is an interrogation team. I believe there was testimony yesterday about it, that it is operational. We can certainly get back to you with additional details about it.

Mr. BURTON. Well, over in the Senate officials testified that this interrogation team really wasn't operational, and then they came back and said a couple days later that it is operational, and so, you know, once again we are hearing, it is like a ping pong ball, it is operational, it isn't operational. I would like to know really if it is, and, if so, I would like to know what they are doing in Yemen and elsewhere to get information about these terrorists before they try to blow up a plane here in the United States or kill a bunch of people at Fort Hood. I mean, you know, if we have got an interrogation team and we know al-Qaeda is there or a subsidiary of it is, why in the world isn't our intelligence people and our military people capturing these individuals and really digging the truth out of them, and also, using technology and procedures that are going to be able to get information.

I know the President said, well, waterboarding is inhumane, and I saw a television commentator on television actually going through waterboarding. He said it was very scary, but he survived it and it didn't seem to bother him too much, and yet, when we used it they said, my gosh, it is inhumane and it is a terrible approach to getting information. I think when you are dealing with terrorists who want to kill 250 people or so on a plane or terrorists that are instructing somebody at Fort Hood to kill a bunch of American military personnel that we ought to do whatever is necessary within certain bounds to get that information.

I am one of those who believes we ought to use waterboarding or whatever it takes to get that information because once they kill a bunch of Americans, everybody is going to say why didn't we do something about that? That is why I am very concerned about this interrogation team, because I don't believe it exists and I believe they are scrambling around right now trying to get it together so they can say, yeah, we have been doing that and we have had it for a while. One more thing, Mr. Chairman, if I might. This guy that got his Miranda rights after he got on that plane or after he got off the plane and he got a lawyer paid for by the United States of America, the FBI said they went over and they talked to his parents and that gave them the information necessary to elicit more information from him about what was going on in Yemen where he was trained. Are we going to be sending FBI agents around to parents all over the world to get information like that? That is ridiculous. If we get a person who is a terrorist who tried to blow up a plane, we need to get on him right away. Quickly. Fast.

Chairman BERMAN. Time of the gentleman has expired. The gentleman from Georgia, Mr. Scott, is recognized for 5 minutes.

Mr. SCOTT. Thank you, Mr. Chairman, and welcome. I am over here. Last year I traveled to Yemen, walked the streets of Yemen, along with our Navy Seals, of course. The thing that struck me was as we moved through the city, at exactly 1 o'clock all of the men that we could see were reaching in bags getting this green stuff, sticking it in their jaw. It was so disfiguring, grotesquely. You could see it all over where we looked over the streets. These weren't just young kids, these were police officers, they were businessmen. The issue that I want to ask is what are we doing to address this issue? It is more than just a leisure thing. Qat has become the primary degradation of their poverty.

It requires an immense amount of water of which there is a shortage for. Their number one economic asset being oil will be depleted in 7 years. It takes so much land to grow the qat that they can't even grow food. So it seems to me that this is a fundamental situation that I think we have got to address because it is the driving characteristic of that economy, of that culture, that is not only making Yemen a failed state, it has become a failed state, and this is the driving force for it. What is our strategy to deal with qat?

Ambassador FELTMAN. Representative Scott, I think you have described the problem very articulately. You know, qat is depriving families from income, it is preventing people from effective employment, it is, as you said, using up precious water resources. The World Bank and others are working on ways to combat this, to tackle this. It is hard. You know, this is a cultural thing, as you yourself witnessed when you were there. You know, we are working behind this. We are working to back up the World Bank and other people's efforts on this, and we are trying to compliment it by the new USAID strategy I described with you which will have some focus on small business development and agribusiness development to try to create new opportunities and new markets to provide incentives to get people away from this.

This is a severe problem, it is a long-term challenge, and you are absolutely right that all of us need to be working together to ad-

dress it. I don't think there is any short-term fix to the long-term qat problem.

Mr. SCOTT. Well, thank you. Mr. Godec, let me ask you to comment on the accuracy of the size of al-Qaeda there. Last week I read in the New York Times where a member of the Obama administration stated that we have killed approximately 20 percent, and they put an accurate figure of between 300 and 400, al-Qaeda operatives in Yemen. First of all, is that accurate? 1) Have we eliminated in the past few months 20 percent? 2) Is the 300 or 400 the accurate figure of the number of al-Qaeda in Yemen?

Ambassador GODEC. Congressman, as Secretary Feltman said, the number that we have on al-Qaeda in Yemen is from the Foreign Minister, from Foreign Minister Qirbi. What he said was 200 to 300. Several hundred was his specific reference. That is the best number that I have available this morning. Obviously, as I said, the Government of Yemen has taken a number of steps to address this threat. There have been a number of actions, military, and law enforcement and others. A number of al-Qaeda have been taken off the streets, a number have been killed, a number are in prison. I can't give you confirmation that the 20 percent number is accurate. It may be accurate, but clearly, ongoing actions are in fact, taking al-Qaeda off the streets in Yemen right now. This really is a commitment by the Government of Yemen to address this problem.

Mr. SCOTT. Yes. In my last 10 seconds I hope I can get this in. This is a regional situation. Have we involved the nations of Kenya, Ethiopia, Oman, and Saudi Arabia as well, and Djibouti to impact a regional effort dealing with Yemen?

Chairman BERMAN. I think the time has expired. Maybe you can work that answer into an answer to someone else's question. The gentleman from Florida, Mr. Bilirakis, is recognized for 5 minutes.

Mr. BILIRAKIS. Thank you, Mr. Chairman. I appreciate it very much. Sorry that I am a little late. Recently I visited the prison at Guantanamo Bay, this is for the panel, and left with a feeling that it was probably the best living conditions that terrorist enemies had ever experienced. Dozens of those inmates have been released from Guantanamo to Yemen and have been reintegrated with al-Qaeda in Yemen. Despite all the terrorist activity taking place within Yemen, it is still eager to accept up to 100 additional inmates. My question is, can Yemen really be serious about wanting to assist us in eradicating al-Qaeda when it is eager to welcome Guantanamo inmates? I understand we are not sending those inmates now, and I agree with that policy, but if you can answer my question.

Ambassador FELTMAN. Congressman, I know that in my region, which is the near east region from Morocco through Iran, all countries that have nationals who are incarcerated in Guantanamo, all the countries policies are that they want their nationals back. That is a standard policy across the region. It varies from place to place about what that is, what they would do with them, et cetera, but it is not unique to Yemen that the Yemeni Government says please send the Yemenis back to Yemen. As you pointed out, the President on January 5 made the decision that because of the security environment, because of threat considerations, that he was sus-

pending the return of any Yemeni Guantanamo detainees back to Yemen.

The previous administration had sent 14 detainees back to Yemen, this administration had sent seven back to Yemen, including one in September that was under Court ordered release, but all of these decisions that the administration has made were done by consensus, evaluating the threat environment, evaluating the individuals in question and taking into account all the information that we had.

Mr. BILIRAKIS. Thank you. Would you like to comment on it as well?

Ambassador GODEC. I would just indicate that, you know, I share Secretary Feltman's views and comments on this. I agree with him. I think there has been a very intensive process in this administration, a review of all of the detainees in Guantanamo by a task force of 60 lawyers, experts and various sorts, and anyone sent back anywhere was done so by a unanimous agreement. The key point, I think, with regard to Yemen at this moment is that, as Secretary Feltman said, the President announced on January 5 that he is suspending the transfer of detainees back to Yemen.

Mr. BILIRAKIS. Thank you. My second question is, recent events in Yemen, coupled with past events, suggest that Yemen is not a partner in the war on terror. I want to get your thoughts on that and see if you believe this is a working relationship which can be salvaged, and if it is worth salvaging, what type of preconditions would you put on any aid we might provide?

Ambassador FELTMAN. Congressman, we would agree with you that Yemen has been, I would describe it as an inconsistent partner. There have been times when Yemen has focused on the al-Qaeda challenges, there have been times when Yemen hasn't been as focused as we believe they should. We are encouraged by the determination the Government of Yemen has taken over the past couple of months. We believe that the leadership in Yemen from the President on down now understands that al-Qaeda is the preeminent threat in Yemen to Yemeni interests. We want to build on that. Our security assistance goes hand in hand with our development assistance in Yemen, but it is based on a partnership that must address these challenges.

Mr. BILIRAKIS. Would you like to address that as well?

Ambassador GODEC. I would just underscore the importance of looking at Yemeni actions. I think that those actions recently have been very clear, and they have been taking the fight directly to AQAP. Frankly, given that it is ultimately Yemenis who have suffered most from AQAP attacks, more Yemenis have died because of their attacks than others, I think that that commitment is a good thing, it is a positive thing and it does indicate, I think, that it will continue.

Mr. BILIRAKIS. Okay. Thank you very much. Thank you, Mr. Chairman.

Chairman BERMAN. Time of the gentleman has expired. I remind the committee that we have an excellent panel of expert outside witnesses to testify after the Secretary and the Ambassador are finished, and I recognize the gentleman from Virginia, Mr. Connolly, for 5 minutes.

Mr. CONNOLLY. I thank the chair, I thank you both for appearing here today, and I would ask unanimous consent that my opening statement be entered into the record at this point.

Chairman BERMAN. Without objection.

Mr. CONNOLLY. Mr. Chairman, before I begin asking some questions of the witnesses I just want to respond to my good friend Mr. Burton. I respect him, but I do not agree. I profoundly disagree with the idea that the United States of America would engage in torture to ring confessions out of would be suspects. Torture—waterboarding is torture—is not an American value. We have always striven in this republic for the higher plane. We represent values. That is what makes Americans Americans. Not our ethnicity, not our religion, not our credo, but our values. Torture is never, and must never be, an American value. The facts of the case of Abdulmutallab, as a matter of fact, would be contrary to what was suggested.

The visit to his parents elicited cooperation. The reading of his Miranda rights was no different than the reading of the Miranda rights to the shoe bomber, Mr. Reid, which occurred in the previous administration, I might add, not once, but four times. As a matter of fact, we now have the cooperation of the suspect in sort of singing his song about his contacts and the network. It has been an effective strategy. Not torture, but good, hard investigative techniques. I wouldn't want anyone watching this hearing, Mr. Chairman, to believe for a second that the idea that torture is okay for the United States of America as a weapon in the fight against terrorism because torture actually can turn against us.

It puts every American who travels abroad at risk, it costs us the high ground, and, as a matter of fact, it is counterproductive. So I just wanted to say that at the beginning, Mr. Chairman, because I wouldn't want anyone to think that that view was representative of most of us, I think, in the United States Congress on both sides of the aisle. Now, if I may ask, isn't the problem in Yemen one of governance? I mean, is there a functioning government we can work with? You know, there are so many things one can point to that would suggest serious disfunctionality. If we don't have a functioning government to work with, how do we secure our interest in what is now yet another boiling pot in an obscure part of the world?

Ambassador FELTMAN. There are many problems facing Yemen. There are many problems inside the government. I will quote a former Ambassador to Yemen, Barbara Bodine, who last week or 2 weeks ago described Yemen as a fragile state rather than a failed state. There is a history of trying to solve problems locally. There are 21 different governorates. The 21 different governorates have different cultures, geography, relationships with the central government, but there is, in fact, a government. It may not be a government that is functioning as well as we would all like it to, it may be a government that there are certain grievances against it by different parts of the population, but there is a government, and it is a government that we want to work with in partnership on all of these areas.

We don't only want to work with the government, and that is an important point. There are 7,000 civil society organizations in

Yemen. This is a very vibrant civil society. We are working with those as well. There are local governments that address local challenges. We are working with that as well. So we are not relying exclusively on the central government even as we partner with the central government to face some security and development challenges.

Mr. CONNOLLY. Is it a government that is cooperating with us, Mr. Assistant Secretary, in your opinion?

Ambassador FELTMAN. It is. As we have said here, we have seen new determination that is encouraging in the fight against al-Qaeda, and we have also seen new determination that is encouraging in trying to improve the governance and its own capacity.

Mr. CONNOLLY. Mr. Ambassador, we have 44 seconds.

Ambassador GODEC. I would just underscore again that we have seen, I think, some real changes recently in the Government of Yemen and in its determination to cooperate with us in key areas, areas that are of great importance to the United States, first and foremost, the fight against AQAP. I think that this is new and that it is a very positive development. We hope going forward that we can deepen this cooperation, certainly in the security area, but also in the development area. It is essential. We need to work with the Yemenis very closely, and we need the assistance of our friends and allies in the region in order to address the challenges.

Mr. CONNOLLY. Thank you. My time is up, Mr. Chairman.

Chairman BERMAN. The time of the gentleman has expired. The gentleman from Illinois, Mr. Manzullo, is recognized for 5 minutes.

Mr. MANZULLO. Thank you. I am sorry that I got here late. Combination of trying to figure out what happened in Illinois in the election last night and trying to figure out what happened in Illinois in general in the past 100 years. There was an article written November 19 of this past year in the Washington Post concerning two brothers from the country of Yemen. One of the brothers had been detained at Guantanamo for the past 8 years, alleged to have been involved in the USS *Cole* incident, the other brother living in Yemen. The brother in Yemen talked about the promise of the President to close GITMO.

He says if the President does anything less than closing GITMO, that is, moving GITMO to the United States, that the hatred and animosity that the terrorists and possible recruits for the terrorists have toward GITMO would be transferred to the U.S. facility, ostensibly in Thomson, Illinois. He said moving that facility will make the Yemenis even more prone toward terrorism than they are now and even exacerbate and increase the recruitment of al-Qaeda. I was wondering if you could comment on that. You don't have to fight over who is going to answer the question, you know.

Ambassador GODEC. Congressman, I think I would just underscore that there is a real commitment on the part of the administration and President Obama to close Guantanamo. I think there is no doubt that it is a real problem for us around the world, the existence of Guantanamo and the facility there. Our senior military leaders have indicated that, in fact——

Mr. MANZULLO. You know, I understand that. I am asking if you could comment on what the Yemenis themselves are thinking

where one brother is incarcerated, the other one is out, on the attitude of transferring that hate from GITMO to Thomson, Illinois.

Ambassador GODEC. Congressman, I am not aware specifically of any Yemeni reaction to the question of the possibility of transferring the facility.

Mr. MANZULLO. Mr. Ambassador, what I quoted you was actually, let me give you the exact quote. Uthman Abdul Rahim is the person at GITMO. His brother is Arif. Said he was confident Obama would close GITMO in 1 year. If he doesn't or if Uthman and other detainees are sent to a prison in the U.S., many families would consider it an even greater betrayal. "The families, their friends, their tribesmen will have more hatred for the United States," Arif said, "and perhaps they will consider taking the same path as the extremists." So my question to you is to comment on that statement coming from the Yemenis themselves.

Ambassador GODEC. Congressman, I think that obviously we have a situation where there are individuals in Guantanamo. Something needs to be done with them and the administration is considering all of its options.

Mr. MANZULLO. I understand. I am just asking you to comment on this. This is not a difficult question.

Ambassador GODEC. I would be happy to take the question for the record, Congressman.

Mr. MANZULLO. This matter has been around for months. It has been discussed publicly. It is not something that I am going to give to you and you can take back and answer me in 6 weeks. I mean, you are familiar with the area more than anybody. It is very intimate. This is one brother who is saying his brother is at GITMO and if GITMO is transferred to the United States, the hatred will transfer. That is a very simple question. Do you agree with him or not?

Ambassador GODEC. Congressman, I would just have to repeat or reiterate that I would really have to take that question back for consideration. I am not sufficiently familiar with this specific case or these two brothers in order to comment on it.

Mr. MANZULLO. Mr. Ambassador, that is the problem, okay? I represent Thomson, Illinois. I had 12 hours notice that it was going to be moved to my congressional district. I have got nothing less than obscure answers every time I ask a question. I am asking for, I mean, do you agree or not? This is a statement of a Yemeni himself. If he hates GITMO and GITMO is transferred, will he hate Thomson, Illinois?

Chairman BERMAN. The time of the gentleman has expired.

Mr. MANZULLO. I would ask to have 30 additional seconds.

Chairman BERMAN. I am sorry. I don't understand how the Ambassador can answer a question coming from someone that he is not familiar with and evaluate whether it is an accurate statement or not. In any event, my feeling is irrelevant, the time has expired. The gentlelady from California, Ambassador Watson, is recognized for 5 minutes.

Ms. WATSON. Thank you, Mr. Chairman. Over the past several years U.S. foreign policy to Yemen has averaged between $20 million and $25 million annually. However, in Fiscal Year 2010 the Obama administration requested about $50 million in aid. The as-

sistance to Yemen in this fiscal year has already reached $67 million, and the Fiscal Year 2011 request is closer to $100 million. So keeping these increases in mind, should we be expecting a Yemen supplement later this year? Can you mention, either one of you, who our partners are in Yemen, and what can we expect from them in the next few years?

Ambassador FELTMAN. Representative, thanks for the question. The money for Fiscal Year 2010 and the President's request for the budget for Fiscal Year 2011 are in the regular budget. They are part of our regular foreign assistance numbers. Of course, we have had to evaluate how best to devote those resources and came up with those figures for Yemen, so I would not expect a supplemental for Yemen. In terms of the partners, it is a good question because we do have to leverage our assistance with others. In terms of Europe, the British are major donors. The British have announced £50 million starting in 2011. That is about $82 million, $83 million for Yemen. So it is in the ballpark with what we are doing.

The Netherlands and Germany are big donors, the World Bank is involved. The major donors are the Gulf countries, Yemen's immediate neighbors, Saudi Arabia, the UAE and others. The UAE announced a $600 million plus pledge to Yemen just recently. So the London conference that I attended with Secretary Clinton last week was an important milestone because it started out a process by which all of us will be working together in order to support development, stability, economic opportunities in Yemen which we hope will start to reverse some of the really appalling social and economic indicators in Yemen that can feed into the very hatreds and problems that we have been talking about.

Ms. WATSON. I understand that about 50 percent of the children are malnourished and illiteracy is high, and piracy has travelled from Somalia into Yemen in the last few years, income from oil is failing, and, as in my own district, Los Angeles, California, water scarcity is a growing problem. With respect to these problems, what has been the result of the aid that we have given, the aid that the partnership is involved in, and how do we intend to improve the impact of this aid? Tell us how it relates to our best interests, too.

Ambassador FELTMAN. I will answer the last first, which is we firmly believe that if we just look at Yemen tactically we are not going to be able to solve these issues, and if we only look at Yemen from a security perspective, that is also insufficient to actually address the security challenges. We need to look at Yemen over the long term to address the sort of development challenges, the grievances, the despair that people have that can feed into a negative security environment. So we want to address security, development, and governance at the same time. We have a new strategy in terms of our assistance strategy to Yemen. We signed it with the Yemeni Government in September.

So before the Fort Hood attacks, before the December 25 attempted bombing, we were already looking at new ways in order to most effectively get assistance delivered to the people on the ground because you pointed out the social indicators yourself. They are appalling. The Government of Yemen admits they are appall-

ing. We need to find ways to make sure that health, education and job opportunities are available at the local level.

Ms. WATSON. Thank you. I will yield back my time, Mr. Chairman.

Chairman BERMAN. Time of the gentlelady has been yielded back. I was advised, and actually remember, that a previous member on the majority side, because I wasn't alert was given about 50 extra seconds to question, and so I am going to reverse the ruling of the lower Court and give Mr. Manzullo 50 seconds to pursue his question.

Mr. MANZULLO. Thank you, Mr. Chairman. As the administration's top experts on the Middle East and on counterterrorism, how would transferring the entire Guantanamo Bay detention center to the U.S. make our nation any safer when there are clear warnings, such as what happened on December 25?

Ambassador GODEC. Congressman, I think that, you know, it is clear that al-Qaeda needs sort of no further excuse than it has already got to attack the United States. I mean, it is constantly plotting and planning to attack the United States. It poses a real threat to us in its many manifestations.

Mr. MANZULLO. You are not answering the question. Nineteen seconds.

Ambassador GODEC. I would just emphasize that Guantanamo needs to be closed. It is essential that it be closed. I think that obviously the administration has——

Mr. MANZULLO. I want to say how disappointed I am in your unwillingness to answer this very simple question. I am now out of time.

Chairman BERMAN. The time of the gentleman has expired. The gentleman from California, Mr. Royce, is recognized for 5 minutes.

Mr. ROYCE. Thank you, Mr. Chairman. Recently, I will just ask this question, the New York Times ran that story on Imam University. Four thousand men gather there in a football-sized mosque every week, and, as they say in the story in the Times, Zindani, the headmaster who is the theological advisor to Osama bin Laden, after all this, this is a guy who is a designated terrorist by the U.S. Treasury, he sort of oversees this operation, and this is where John Walker Lindh studied before fighting us in Afghanistan, it is where the internet preacher, Anwar al-Awlaki, who preached to the Fort Hood shooter got his ability to give lectures.

He also was tied to the Nigerian who attempted to hit us on Christmas Day. Now we have reports that up to three dozen Americans who have converted to Islam during incarceration in the United States are currently in Yemen, and they have traveled to Yemen to study Islam. Now, I assume that means they are going to the Imam University where these other terrorists were trained. Law enforcement officials have been concerned. They say they have dropped off the radar for weeks. Now, in the past, President Saleh has been lobbied to have Zindani removed from the terrorism list. I don't know what he is thinking about this university, but I would think that it might be time to do something since this is being used to train terrorists. I wanted your opinion in terms of your feelings about that and maybe what steps you are taking.

Ambassador FELTMAN. Congressman Royce, thanks. Let me make a couple of comments and ask Ambassador Godec to add. As you know, Yemen is a sovereign country so part of our dialogue with Yemen, our requests of Yemen of course are associated with things like how to build an effective counterradicalization program. Ultimately, these decisions are Yemeni decisions, but yes, we are engaged with the Government of Yemen on exactly the sorts of recruitment tools that we see happening in Yemen. We have also talked to the Yemenis about watching their own immigration rules. I think the Yemenis have recently picked up some Americans, in fact, for immigration violations and people who have overstayed their visas, which is an encouraging——

Mr. ROYCE. You have got 36 "blond-haired, blue-eyed Americans," who our Government said "we thought we had this place blanketed, we thought we were working it very closely, but now they have fallen off the radar." So, you know, I understand we are appealing to them, but in the meantime, terrorists are being trained apparently.

Ambassador FELTMAN. No. Without question, this is a concern. There is very little ability, I think, of the U.S. Government—you would have to talk to the immigration officials to prevent the travel by U.S. citizens. So we have to be in touch with the Government of Yemen about any violations in their own rules. We are also doing things to promote counterradicalization in Yemen. We are working on programs. The Democracy, Human Rights and Labor Bureau of the State Department, for example, runs a very effective program on religious tolerance in Yemen. So we are working on this problem——

Mr. ROYCE. Yes, I understand, but you have still got 4,000 people meeting every week in a football-sized mosque where, if the New York Times is correct, they are being encouraged by, what will we call it, the brain trust for al-Qaeda, to launch terrorist attacks, and that is still going on, right?

Ambassador GODEC. I would just underscore what Assistant Secretary Feltman said. We are deeply concerned about this, we are very well aware of this and other institutes, and schools and universities which are engaged in transmitting or teaching the extremist message. It is something that we are seized with. We are working with the government on this. We are looking for a variety of ways to address the problem. It is a serious issue.

Mr. ROYCE. In the meantime, with al-Shabaab. You have got these Yemenis from this same university are training and fighting with al-Shabaab right now. Thank you, Mr. Chairman.

Chairman BERMAN. Time of the gentleman has expired. Remember, for the remaining members who haven't questioned yet, we do have a second panel. Now it is the gentleman from American Samoa, Mr. Eni Faleomavaega, who is recognized for 5 minutes.

Mr. FALEOMAVAEGA. Thank you, Mr. Chairman, and I appreciate your leadership and initiative in having this hearing this morning. I do want to say that I think too often we don't say enough to express thanks on behalf of the members and certainly our colleagues to those of our fellow Americans who serve in the Foreign Service. Secretary Feltman and Ambassador Godec, thank you for your commitment and your dedicated service on behalf of our country.

I mean that sincerely because in this part of the world, for any given day any of your lives could be taken. The sacrifices that your families make, I think we sometimes tend to overlook that. We do deeply appreciate the service that you give to our country.

Yemen has 24 million people and is a failed state. Several incidents and instances where our country has given some kind of connection in such a way that has not necessarily been positive. Just to make sure for the record that I have a sense of understanding, the al-Qaeda movement, was this initiated by Osama bin Laden? Your understanding, gentlemen? I just want to make sure.

Ambassador GODEC. Yes. I mean, he certainly was one of the——

Mr. FALEOMAVAEGA. Founders.

Ambassador GODEC. Yes.

Mr. FALEOMAVAEGA. Okay. Would it be safe for me to say also that one of the deepest concerns that our country has raised is that Yemen has become a breeding ground for al-Qaeda? Then I would like to ask, what is the estimated number of al-Qaeda now present in Yemen?

Ambassador GODEC. The number that we have is from the Foreign Minister of Yemen, Foreign Minister Qirbi, and he has said that there were several hundred, 200 to 300, specifically, al-Qaeda in Yemen right now. That is the number that we have.

Mr. FALEOMAVAEGA. I want to make this connection, and I am not trying to be parenthetical about what I am expressing concern about. If the media reports are accurate, there are some 27,000 Taliban in Afghanistan and a couple of hundred al-Qaeda. We already have 68,000 soldiers on the ground in Afghanistan, and we are about to send another 30,000 soldiers to Afghanistan totaling approximately 100,000 soldiers that are going to be looking for these 27,000 Taliban and a couple of hundred al-Qaeda. And I suspect in the next 18-month period, that there is going to be another $100 billion that we are going to have to spend to look for these people. My question to both of you gentlemen: Is there some kind of a policy about proportionality?

How many Yemenis are we going to be chasing when the al-Qaeda is going to be acting or giving its presence, whether it be in Africa or in other parts of the world? My concern is that is there some point where the administration is making a determination to say we have got a couple hundred al-Qaeda in Yemen, so therefore, we have got to do everything that we can. Is the issue of al-Qaeda just a security concern or is it more than just that? What is it that attracts these people to join the al-Qaeda movement? I am sure it is not just for the fun of killing Americans.

I think it is a deep-seated idealogy, thousands of years of traditions, tribal rivalries and all of these things at play. But here, our whole objective is security on our part, to protect the security of the American people. Who doesn't want that? In the meantime, we are going to be killing these people who have no idea what democracy is about, nor do they care. I just want to ask you gentlemen a question. We are going to be giving more economic assistance to Yemen, more of the same thing that we are doing to Afghanistan, but is it going to solve the problem of al-Qaeda? Gentlemen? Here is my problem.

Ambassador GODEC. Go ahead. Please.

Mr. FALEOMAVAEGA. There are no ethnic Afghans. There are 12 million Pashtuns, 7 million Tajiks, almost 3 million Uzbeks and three or four other major tribes that make up the population of Afghanistan. Right on the border of Afghanistan and Pakistan are 27 million Pashtuns, even though they may be Pakistani citizens. So is it any wonder Osama bin Laden has been freely roaming between Afghanistan and Pakistan? We couldn't find him after 8 years. What makes you think that we are going to be able to solve the Afghanistan problem by sending 100,000 soldiers to do this task?

Ambassador FELTMAN. I know we are running out of time but I would just like to note, Representative, if I may, that Yemen is different.

Chairman BERMAN. You have made that point, and you have run out of time.

Mr. FALEOMAVAEGA. Sorry. Thank you.

Chairman BERMAN. The gentleman from North Carolina, Mr. Miller. Both of our witnesses have to leave at 11:15.

Mr. MILLER. Thank you, Mr. Chairman. There have been a lot of questions this morning about governance in Yemen, and sometime in the past Yemen led the region in democratic governance reforms, and that obviously is not the case now. Whether you call it a failed state or a fragile state, it is pretty clear that much of Yemen is ungoverned and all of it is lightly governed. General Anthony Zinni said that ungoverned areas were a Petri dish for extremism and radicalism and that certainly appears to be the case in Yemen. There was a recent Washington Post article that said there was a London conference to encourage or insist upon very broad political and economic reforms in exchange for a package of long term development and security assistance, not just from the United States, from other nations.

What is the nature of what we are asking Yemen to do? What do they appear to do? Are other nations supporting us in our demands? Are we supporting the demands of other nations? And then second, you mentioned earlier the neighbors of Yemen are the natural donors. They have got the money to do it. There was a conference in 2006. There were pledges of $4.7 billion in assistance to Yemen, but the most recent information is only 7 percent of that pledged aid has arrived. Why is that?

Ambassador FELTMAN. On the last question, we believe the figure is more like a third. It is still only a third of what became $5.2 billion. There were some extra pledges that came in. Part of it is questions of capacity, part of it is questions of governance, lack of confidence in some of the institutions of the state. So part of our challenge now is working together, sending a collective message to the Government of Yemen about what do we expect in terms of how they would manage this assistance, and providing assistance and actually managing donor funds, managing accounting for donor funds and delivering services. We ourselves believe that we need to be working across Yemen.

I would describe Yemen as being poorly governed in many cases. We are working, for example, through our Middle East Partnership Initiative in 14 governorates. USAID's new two pronged strategy is trying to get at some of the areas where there has been an absence

of government functions in a way to try to build those functions so that there is a sense by the local population that their grievances are being addressed, that their needs are being met. What is encouraging out of London was the consensus among the regional partners, the international community and the international organizations represented there, which is that we need to be working together.

We need to be working not to interfere in Yemen, not to be imposing international mandate or something on Yemen, but to encourage the Yemenis to put in place types of systems that are responsive to the real needs of the people. In addition, we are working, through these civil society organizations, to help them organize themselves to be able to make demands of the Yemeni Government. Yemen has elections next year. In April 2011 there will be parliamentary elections in Yemen. We hope that those elections involve the sorts of groups that would make those elections credible—responsive political parties, active civil society, full engagement by women in the electoral process. The international community will be sending these sorts of messages and providing this sort of assistance as we move ahead.

Mr. MILLER. Who are these 200 or 300 people? AQI, al-Qaeda in Iraq, appears to be entirely indigenous. They aren't going anywhere. They are just going to stay there. Are these 200 or 300 Yemeni mostly, or are they from elsewhere? Have they failed in Afghanistan? More broadly, are they native to Yemen or are they being given sanctuary by other Yemenis, which, by Yemenis, would suggest more support for them and less support by the government.

Ambassador GODEC. Congressman, many of them are Yemeni, but some do come from other places. Some of them are Saudi. As we know, at least one of them is also a dual Yemeni-American citizen. They are from a range of places. Some of them do have experience or training in other regions, in South Asia, for example, but many of them are Yemeni. They have built over time their relations through tribal, and marriage and other ties.

Chairman BERMAN. Time of the gentleman has expired. At 11:15 I am going to excuse both witnesses, and any members who have not been able to question them will have the first opportunity to question, assuming that is an appropriate way to work it out for the next panel. The gentleman from Florida, Mr. Klein, is recognized for 5 minutes.

Mr. KLEIN. Thank you, Mr. Chairman. Mr. Secretary, nice to see you, and Mr. Ambassador, thank you for being here. I think we all understand that there is a clear price to pay if we don't increase our attention to this part of the world. We also know that we have a responsibility to commit serious and rigorous oversight over what we are doing and the resources that we are putting into that area. The language in the Yemen-U.S. End Use Monitoring Agreement basically says that the equipment can be used for a mutual threat or for "internal security, individual defense or civic action." I don't know if I am alone in thinking this, but the language sounds somewhat ambiguous, and I understand this is standard language for State Department commitments like this.

There was a recent story in the New York Times that talked about Yemeni extremist groups having no trouble in buying or

stealing equipment from Yemen's military, which has struggled to maintain its morale, discipline, in a region torn by tribal allegiances, and largely beyond control of its government. Again, I want to be clear, this is the epicenter of what could be a serious problem with al-Qaeda and others, so I am very committed to the goals here, but we also know we have to be very smart. We have had experiences in the past where we have put military equipment and resources in a particular country that isn't stable and that equipment gets into the hands of people that are not only going after our men and women and supplying terrorists. So the question is—tell me about this end use monitoring agreement. How we are using it? Has it been revised to reflect an increased commitment to Yemen, and obviously a need for transparency? What oversight do we have in making sure that these resources and equipment are going to be used for the purposes intended?

Ambassador GODEC. Congressman, we are obviously very concerned about the possibility of the misuse of our assistance, whether it be sort of broadly developmental assistance or security assistance. We have a variety of controls that are in place in both cases. Specifically with respect to security equipment, we do have these end use monitoring agreements. We have a Blue Lantern program in effect. So we do have the opportunity to follow-up. So it is not just a matter of give the equipment and then it is sort of there and we don't ever get to see it again. We do have an opportunity to check up on it and to ensure that it is being properly used.

I can assure you that, you know, we are quite vigorous in our efforts to help ensure that there is proper use of the equipment that we are giving, the security equipment. We do not want it misused, we do not want it transferred or given away or for other things to happen which would be inappropriate. So it is a serious concern on the part of the Embassy, it is a serious concern, I know, on the part of the Department of Defense and others, and we are aggressively working through the various programs that we have got, Blue Lantern and others, to follow-up.

Mr. KLEIN. Mr. Ambassador, are the challenges different in Yemen in terms of this oversight? Obviously each country has its different set of challenges, but knowing what we know about Yemen and the level of involvement that the government has in controlling, or the military or how the military is operating, and the threats and the extremist groups there, are you comfortable at this stage that we are doing everything we can? Or not only just language in a commitment agreement, it is actions, obviously, are the key here. Are you comfortable we are doing every single thing we can, or is this an ongoing process to evolve, making it as safe as possible?

Ambassador GODEC. Well, clearly, Congressman, I think it is an ongoing process. It is something we have to evaluate constantly. We have to look at are we doing this as well as we can? In my experience, there is almost always opportunity for improvement in human life, so there may be some opportunities for improvement. I am comfortable that we are aggressively following-up on this, that we are focused on it and that there is a genuine effort to ensure that this equipment is being put to the purpose that we, you know, the administration, that the Congress and that the American

people want that equipment put to, which is helping to enhance the security of Yemen, and therefore, ultimately, the security of the United States.

Mr. KLEIN. Mr. Secretary, do you have any thoughts on this?

Ambassador FELTMAN. I concur with what Ambassador Godec said. We are aware of a poor human rights record in Yemen, and we are aware of the fact that the country is awash in a black market on weapons. So, these factors very much play into how we do the monitoring. Like Ambassador Godec, I am comfortable with where we are, but this is something we need to watch all the time.

Mr. KLEIN. I would ask, obviously this is a very important issue and the worst thing we can have for our country, and our troops and our interests over there, to find that U.S. weapons are being used against us, so just be vigilant about it and we will stay in touch. Thank you.

Chairman BERMAN. Time of the gentleman has expired. The last questioner for 2 minutes will be the gentlelady from Texas, Ms. Sheila Jackson Lee. Then we will bring on our next panel.

Ms. JACKSON LEE. Thank you very much to both of you for your service. Let me commend President Obama for modifying our Yemen policy by asking the National Security Council to undertake a comprehensive review, quite contrary to our friends who have indicated that has not been the case, and quite contrary to the ignoring of Yemen for the last couple of years. Putting that on the table, I believe this is serious. I think it is at a crisis level. I would ask you to engage the Yemenis to let them know that it is at a crisis level. Number one, who are our allies to help us with the Yemen policy about the crisis of al-Qaeda and terrorists in Yemen? Who are we working with? Who are we pumping up? To whom are we saying this is in your best interest as well? Finally, their actions have cost lives. I am very unhappy about it. I don't think we should take them lightly, and I would like to hear you tell me how we are not taking them lightly. Thank you.

Ambassador FELTMAN. First, our partners in addressing al-Qaeda are virtually everybody, all 20 countries and five international organizations that were together in London last week with Secretary Clinton. Everybody recognizes that this is a threat to Yemen, it is a threat to the region, it is a global threat. So we have partners across the globe vis-à-vis the al-Qaeda threat and it is particularly important that, you know, the Saudis and Yemen's immediate neighbors are very, very strong partners on this, and they themselves have been victims of the security threats emanating from Yemen.

Ms. JACKSON LEE. How are you highlighting the crisis? You know, how are we ramping up? How are we pushing Saudi to do more?

Ambassador GODEC. I would just underscore we are in constant contact with the Saudis. I think it is regularly discussed with the Saudis, the issue of Yemen and how to address it, but I think the Saudis themselves are very much seized with this challenge.

Chairman BERMAN. Time of the gentlelady has expired.

Ms. JACKSON LEE. Thank you.

Chairman BERMAN. I thank both of you for being with us. Very much appreciate your insights into the situation. I now want to

welcome our second panel. We very much appreciate your patience, and your being here today and taking the time to both prepare and share your insights with us. Dr. Christopher Boucek is an associate in the Carnegie Middle East Program where his research focuses on regional security challenges. Before joining the Carnegie Endowment, he was a post-doctoral researcher at Princeton University and a lecturer in politics at the Woodrow Wilson School. Jonathan Schanzer is vice president for research at the Foundation for Defense of Democracies. Until recently, Mr. Schanzer was deputy executive director of the Jewish Policy Center and the editor of the JPC's journal, inFOCUS Quarterly. From 2004 to 2007, Mr. Schanzer served as a counterterrorism analyst at the U.S. Department of Treasury.

Leslie Campbell is a senior associate & regional director of the Middle East and North Africa at The National Democratic Institute. Prior to assuming his current position in 1996, Mr. Campbell served with the NDI in Russia, Croatia and Serbia. Mr. Campbell just returned from a trip to Yemen where he has been working on governance issues for over a decade. We look forward to hearing about his experiences on the ground there today. Finally, known, I think, to all of us is Bruce Riedel, a senior fellow in the Saban Center for Middle East Policy at The Brookings Institution. In 2006, he retired from the Central Intelligence Agency after 30 years of service.

Mr. Riedel served on the National Security Council staff as a senior advisor on South Asia and the Middle East under the last four Presidents. He was a negotiator at several Arab-Israeli peace summits, including at Camp David and Wye River. In January 2009, President Obama asked him to chair a review of American policy toward Afghanistan and Pakistan, the results of which the President announced in his speech on March 27, 2009. Mr. Riedel has traveled extensively in Yemen and it is interesting to note that his father served there with the United Nations during the last days of the British Colony in Aden. Thank you all for being here. Dr. Boucek, why don't you start. Your entire statements will be made part of the record and you could summarize.

STATEMENT OF CHRISTOPHER BOUCEK, PH.D., ASSOCIATE, MIDDLE EAST PROGRAM, CARNEGIE ENDOWMENT FOR INTERNATIONAL PEACE

Mr. BOUCEK. Mr. Chairman, Madam Ranking Member, distinguished members of the committee, I would like to thank you for the opportunity to be here toady to discuss this very critical issue about Yemen and American policy toward Yemen. I think, broadly speaking, Yemen is facing three critical challenges: Economic, human security and demographics, and hard security and terrorism. What I would like to do very briefly is speak about the first two, about the economy and human security. I think one of the things that becomes very apparent when you are looking at Yemen is every issue in the country is connected to every other issue and they compound one another and make one another worse.

On the economy, this is the single biggest challenge facing the Yemeni Government. About 75 percent of the country's income comes from the sale of oil. Right now the country's quickly running

out of oil has been noted in the previous panel. Several years ago the country was producing about 450,000 barrels a day. Right now they produce about 180,000 barrels a day, and that is quickly running out. Within 10 years, most likely 5 years, the country will be out of oil, and there is no planning for a post-oil economy. Right now there is discussion about liquified natural gas possibly taking the place of oil sales. However, it is unlikely that natural gas sales would either meet the current volume of sales of oil or would come on line in time that oil goes off line.

Furthermore, inflation is currently about 12 percent, and that is down from 20 percent earlier last year. Unemployment is officially at 35 percent, which is on par with the Great Depression in this country. Unofficially, it is probably closer to 50 percent. The economy suffers from a whole series of subsidies which fuel the other problems going on in the country. On human security, there are currently 23 million Yemenis, in 20 years there will be 40 million, and in three decades there will be 60 million. There is no way that the Yemeni economy can absorb all of this labor domestically. Yemen will have to become a net labor exporter.

Furthermore, education and healthcare is in a poor state. The Yemeni Government is not able to provide social services throughout much of the country. Corruption in governance, as has been mentioned in the previous panel, is a major issue with the way in which the Yemeni Government has historically governed, has led to more and more problems in the long run. The biggest probably concern in my estimation is water. The country is quickly running out of water. Nineteen of twenty-one aquifers are not being replenished, and it has been estimated that 99 percent of water consumed in the country is extracted illegally. Right now there is no system to govern the extraction of underground water, and this is something that needs to be focused on.

As the chairman mentioned in his opening remarks, it is very likely that Sanaa will become the first capital in modern history to run out of water, and this is a catastrophic problem. Where 20 million Yemenis or 40 million Yemenis will go when they run out of water is a major concern. The last issue, hard security, I believe others on the panel will speak about in more depth. There is an ongoing civil war in Saada against Shia Zaidi revivalists. There is a southern secessionist movement and a resurgent al-Qaeda organization which has proved over the last years to have the capacity to strike domestically inside the country, regionally inside Saudi Arabia, and now internationally.

I would just say one thing about the hard security issues, and that is this civil war in Saada is rapidly accelerating the economic collapse of Yemen. The country is spending money at an alarming rate, money that they don't have to spend on water, education, fighting al-Qaeda, anything else. By some estimations, the country is spending over $200 million a month of hard currency reserves, which would equate to about $1 billion over the course of the last round of fighting. Moreover, the conflict has led to a huge budget deficit forecast for this year, 23 percent by some estimations.

Over 80 percent of the Yemeni budget is things that you can't cut, including salaries, pensions and subsidies. This war needs to end not only for humanitarian reasons, but for the immense dam-

age it is doing to the Yemeni economy. I think I would like to conclude by saying that when we are looking forward and we are thinking about how to engage with Yemen and how to deal with Yemen looking ahead, we need to make sure that we focus on the systemic challenges to Yemeni security. By that, I mean the economics, and the hard security and the human security issues. We need to look at all of this in totality. It will not be al-Qaeda that leads to the downfall of the Yemeni Government, it will be these other issues.

Right now we have the opportunity to get on the right side of this issue by focusing our attention on these long term issues. Yemen has always been a weak state, but it has a strong society. I think that is something that we need to keep in mind. Furthermore, I would reiterate what was said in the previous panel, that the American Government needs to keep the pressure on the Yemenis to make the painful choices that it needs to make on addressing issues like governance, on corruption, on subsidies, and keeping its attention focused on al-Qaeda. It will be only through the international community keeping the attention on Yemen and leading this discussion that the Yemeni Government will make this a priority. With that, I would like to thank you again for the opportunity to be here, and I look forward to your questions.

[The prepared statement of Mr. Boucek follows:]

Congressional Testimony

YEMEN ON THE BRINK: IMPLICATIONS FOR U.S. POLICY

Dr. Christopher Boucek
Associate, Middle East Program
Carnegie Endowment for International Peace

Written Testimony
U.S. House of Representatives
Committee on Foreign Affairs
February 3, 2010

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INTRODUCTION

Chairman Berman, Ranking Member Ros-Lehtinen, and distinguished members of the committee, thank you for inviting me here today. Yemen is beset by a host of challenges that endanger both its domestic stability and regional security. The United States and the international community must act now, before conditions deteriorate further, to help Yemen meet these challenges. While Yemen has survived crises in the past, they have tended to be singular events, while the many problems it now faces are unprecedented in range and scope.

The problems include international terrorism, violent extremism, religious and tribal conflict, separatism, and transnational smuggling. Attempts to build effective national governance are frustrated by porous borders, a heavily armed population, and a historical absence of much central government control. Yemen is strategically located between Saudi Arabia and Somalia—part of two different yet interconnected regions, the Arabian Peninsula and the Horn of Africa. This fact often frustrates policy analyses; Yemen is excluded from the wealthy Gulf Cooperation Council, but is in many ways more resilient than its East African neighbors. More than 3 million barrels of oil pass the country's coast every day, through treacherous waters where Islamist terrorists and Somali pirates have staged several successful maritime attacks, threatening to disrupt international commerce and the flow of vital hydrocarbons.

Interrelated economic, demographic, and domestic security challenges are converging to threaten the stability of Yemen. At the heart of the country's problems is a looming economic crisis. Yemen's oil reserves are fast running out, with few viable options for a sustainable post-oil economy. Moreover, the country's limited water resources are being consumed much faster than they are being replenished. A rapidly expanding and increasingly poorer population places unbearable pressure on the government's ability to provide basic services. Domestic security is endangered by Islamist terrorism, magnified by a resurgent al-Qaeda organization, an armed insurrection in the North, and an increasingly active secessionist movement in the South.

These challenges are compounded by corruption and an absence of central government control in much of the country, as well as by the pending transition in political leadership. President Ali Abdullah Saleh has ruled the Republic of Yemen since the unification of the Yemen Arab Republic in the North and the People's Democratic Republic of Yemen in the South in 1990. The next presidential election is scheduled for 2013. It is unclear whether Saleh will be eligible to stand for reelection for what would be a third term, and he has no obvious successor. The post-Saleh government will be severely strained by a combination of reduced revenue and diminished state capacity.

Yemen is the poorest country in the Arab world, and its population growth rate, which exceeds 3 percent per year, is among the world's highest. The government has been unable to provide adequate educational or other public services for the rapidly expanding population, more than two-thirds of which is under the age of 24, and illiteracy stands at over 50 percent. The faltering economy and poorly prepared workforce have pushed unemployment to 35 percent, on par with the Great Depression in the United States. The country's dire economic circumstances will soon limit the government's ability to delivery

the funds needed to hold the country together. The population is expected to double to 40 million over the next two decades, by which time Yemen will no longer be an oil producer, and its water resources will be severely diminished.

Yemen is frequently discussed by observers as a failing state, and with good reason. Owing to the central government's weak control, the country has often been on the brink of chaos, yet it has always managed to muddle through. One of its crises was precipitated by the Saleh regime's failure to support United Nations Security Council resolutions calling for the use of force to evict Iraqi troops from Kuwait in 1990. U.S., Western, and Gulf Arab aid was cut dramatically in retaliation, and nearly 1 million Yemeni workers were expelled from Saudi Arabia. The unification of North and South Yemen earlier in 1990 and the 1994 civil war in which the South attempted to secede have also presented major challenges for the central government. However, unlike these individual challenges, the problems facing the country today are multiple and interconnected, each one posing serious threats to the future of Yemen, and together potentially overwhelming the state's limited capacity.

Any single event—or more likely a confluence of worst-case events beyond the ability of the Yemeni government to control—could lead to a further erosion of central government authority in Yemen and destabilization of the region. A major humanitarian crisis, triggered perhaps by severe famine or crop failure, could, for instance, result in a large refugee emergency in which the government would be unable to provide even rudimentary relief services. A balance-of-payment crisis in which the regime could no longer afford to placate the urban areas that receive government services would be disastrous. An inability of a post-Saleh president to balance Yemen's competing interests and stakeholders could create a power vacuum, with separate regions possibly growing more autonomous and independent from the central government in Sanaa.

Still, Yemen boasts a relatively resilient society that has already endured much, with little assistance from Sanaa. In some regards, in fact, low expectations for the Yemeni government to deal with future crises may help lessen their potential impact. Because rural *muhafazat*, or governorates, the administrative divisions in Yemen, do not currently rely on Sanaa for goods and services, what happens at the national level in the future may make little difference to much of the population.

If, however, the central government's authority and legitimacy continue to deteriorate, Yemen may slowly devolve into semiautonomous regions and cities. This trajectory has occurred in other countries, such as Somalia and Afghanistan, with disastrous consequences. Such a slow, emerging state of semi-lawlessness in Yemen would provide opportunities for extremists directed or inspired by al-Qaeda to regroup, organize, train, and launch operations against U.S. and allied targets throughout the Gulf region.

No perfect solutions exist for Yemen's problems today, and none of its many pressing challenges can be fully averted. Steps, however, can be taken to lessen their impact. The United States has a stake in helping Yemen deal with its problems; given the country's strategic importance to American national security interests and foreign policy objectives, the cost of inaction would be too great. Furthermore, failure to act now would lead to fewer and even worse options in the future.

INTERLOCKING CHALLENGES

Yemen's future lies at the intersection of three major interconnected challenges: economic, demographic, and domestic security. This testimony will focus in particular on the economic and human security challenges currently facing Yemen.

Economic Challenges

Vital natural resource depletion, the effects of the global economic downturn, corruption, unemployment, and inflation pose the most significant long-term economic threat to the country. Yemen is the poorest country in the Arab world, and it is getting poorer because of government policies, complicated by rising prices and an inability to absorb a growing population into the domestic labor market.

Resource Depletion: Oil

Oil exports, which generate more than 75 percent of government revenue, are absolutely critical for the Yemeni economy. The government relies on the hard currency provided by oil sales to fund state expenditures. More importantly, in the absence of mature and enduring state governance institutions, oil revenue helps to maintain extensive patronage networks that balance competing interests among various tribes and other stakeholders.

Rapidly decreasing oil reserves, however, coupled with a dramatic fall in global oil prices have had a severe impact on the Yemeni economy. Production is decreasing in both areas where Yemen's oil reserves are concentrated—the Marib basin in the middle of the country and the Masila basin in the east—as the fields approach the end of their useful cycles. Yemen's oil reserves are divided into 97 onshore and offshore exploration and production blocks, of which only twelve produce oil. The most significant of these are Marib (block 18), Masila (block 14), East Shabwa (block 10), Jannah (block 5), and West Iyad (block 4). British Petroleum has assessed Yemen's proved reserves at 2.8 billion barrels (the Yemeni government maintains that this figure grossly underestimates the reserves, but Sanaa's claims remain unsubstantiated).

Oil exports in Yemen have declined sharply in recent years, from more than 450,000 barrels per day at the peak in 2003 to roughly 280,000 barrels per day in January 2009, according to Amir Salem al-Aidroos, the minister of oil and minerals. Barring any major new discoveries, energy experts generously estimate that Yemen's oil exports will cease in ten years. The World Bank posits that by 2017 the government of Yemen will earn no income from oil. Other assessments suggest that the proved oil reserves will be exhausted in just five years. The true extent of oil production decrease has been masked by recent high prices, which allowed Yemen to earn more money despite selling less crude oil. Since global prices have fallen from their summer 2008 record high, the country has been hit doubly hard—both in revenue per unit and total units sold. While falling reserves account for much of the drop in production, poor maintenance and limited capacity in Yemen's oil sector have exacerbated the problem.

As a result of decreased oil export earnings, the Yemeni government has sharply curtailed income expectations. During July 2008, crude oil was at a record high price of $147 per

barrel; during the first quarter of 2009, according to the Central Bank of Yemen, it averaged just $43 per barrel. For much of the latter half of 2009, prices were in the high $60s.

Further complicating the national budget, which is dependent on oil revenue, is that most of the budget, including government subsidies, salaries, and pensions, has traditionally been politically off-limits. In recognition of the severe budgetary shortfalls, at the beginning of 2009 the Finance Ministry reportedly ordered budget cuts of 50 percent throughout the entire bureaucracy; according to the *Economist Intelligence Unit*, however, cuts of only 4 percent have been implemented. Furthermore, these reductions have not been applied universally across the entire government; the Defense and Interior ministries, among others, will not be affected. In actuality, the financial straits are much more severe than had been predicted. Data released by the Central Bank of Yemen indicate that revenue from oil exports hit a record low in the first quarter of 2009, down 75 percent from the same period in 2008.

Clearly, Yemen's oil resources are running out, and finding new sources of oil reserves is not a feasible solution. Attempts to cut the budget, meanwhile, have not succeeded. It is imperative that the country prepare for a post-oil economy.

Resource Depletion: Water

While Yemen's dwindling oil reserves are a major concern, ultimately more worrisome is the rapidly depleting water supply. Shortages are acute throughout the country, and Sanaa, whose population is growing at 7 percent a year as a result of increased urbanization, may become the first capital city in the world to run out of water. This crisis is the result of several factors, including rising domestic consumption, poor water management, corruption, absence of resource governance, and wasteful irrigation techniques. Until five years ago, there was no Water and Environment Ministry, and today legal oversight remains limited. According to a 2009 UN Food and Agriculture Organization report, Yemen is among the world's most water-scarce nations, with one of the lowest rates of per capita fresh water availability. Because of an absence of any serious or enforceable legal oversight, water is being extracted from underground aquifers faster than it is being replaced. The water basin in Taiz, one of the largest cities, collapsed in 1998. Water extraction rates in Sanaa are now estimated at four times that of replenishment, and the basin there and in Amran are close to collapse, with the Saada basin estimated to follow shortly thereafter. According to one recent analysis, nineteen of the country's 21 aquifers are not being replenished.[i] In some cases, nonrenewable fossil water is now being extracted.

In recent years, the water table in Yemen has fallen about 2 meters, or 6.6 feet, per year, forcing wells to be dug deeper. This affects the quality of the water—the British think tank Chatham House noted in a sobering analysis that it is deteriorating because of increased concentration of minerals.[ii] The falling water table also often necessitates the use of oil drilling rigs. While a legal regime now exists to assure the fair and equitable usage of surface water, there is no such legal regime for groundwater. As a result, anyone who wants water (and can afford to do so) digs a well and draws out as much water as possible. Abdul Rahman al-Iryani, the minister of water and environment, has estimated that 99 percent of all water extraction is unlicensed.

The importation of drill rigs is not subject to any customs duty, licensing process, or taxation. As of January 2009, Water and Environment Ministry officials estimate that more than 800 private drill rigs are operating in the country. In contrast, there are only three in all of Jordan, and India—whose population is more than 50 times that of Yemen—has just 100.

In an attempt to address the country's water crisis, the central government has sought to decentralize water and sanitation services, in essence making the governorates responsible for themselves. This effort fits within a larger government strategy of devolving control to local governorates to circumvent the fact that much of the territory of Yemen lies outside of central government control. According to al-Iryani, the water and environment minister, fifteen local water corporations have been created to manage local resources. Most of the country's major cities have been covered through this project, including Ibb, Taiz, Hodeida, Aden, Mukalla, Amran, Dhamar, and Sanaa city (administratively, the capital is differentiated from the surrounding governorate, also known as Sanaa). This is important because most of the central government's support comes from these urban areas. According to many observers, the Saleh regime prioritizes the delivery of services to urban areas at the expense of rural governorates. The failure to establish local water corporations in several governorates that historically have not received much support or social services from the central government, and where control is exercised largely by tribal authorities, has raised fear that a resurgent al-Qaeda may seek refuge. Local water corporations have not yet been created in Marib, Jouf, Shabwa, Sanaa, Mahra, and Mahwit governorates. The Water and Environment Ministry has also said that it is in the process of establishing a local water corporation in the northern Saada governorate, ostensibly as a means to advance security and stability amid an ongoing civil conflict. The central government has done little reconstruction work or social service provision there, however, and it is unclear how a local water corporation can be created while the military wages a fierce and often indiscriminate campaign against an increasingly resilient guerrilla movement.

In one bright spot on the water front, an underground water basin was discovered near Mukhalla in mid-2009, and estimates suggest that it could supply the region with water for many years. Yemeni officials note that the water was found at depths in excess of 200 meters, or 656 feet, demonstrating the increasingly difficult task of finding freshwater. Much of the water will likely go to the agricultural sector, the biggest consumer in the country. Officials also warn that the new find must be protected from contamination from saltwater, sewage, and the overuse of fertilizers and pesticides.

The Impact of Qat

A large amount Yemen's water consumption is devoted to the irrigation of qat, a semi-narcotic plant habitually chewed by an estimated 75 percent of Yemeni men. Nearly all social interactions in Yemen, from business to government, revolve around daily afternoon qat chews. While exact figures are difficult to come by, a majority of Yemen's arable land is devoted to qat cultivation.

Qat is an especially hardy plant that grows in areas where other crops such as coffee would not. It is favored by farmers for its ability to generate cash quickly; when they are in need of income, farmers simply turn on the taps to irrigate the fields. After just weeks of irrigation,

qat leaves can be harvested nearly year-round for same-day sales. Furthermore, it is much more profitable than other crops, such as grapes or potatoes.

Because qat is more productive as it is given more water, there are no incentives to conserve water in irrigation. Farmers will therefore often over-irrigate their fields with little consideration given to the environmental aftereffects, including soil degradation caused by exhausting soil nutrients. The greatest expense for qat farmers is diesel to run the pumps to draw groundwater for their fields. In an example of Yemen's interconnected challenges, qat cultivation thus benefits indirectly from the government's diesel subsidies.

For all the problems associated with it, however, research has shown that there are also some beneficial aspects to qat cultivation by increasing the availability of local services and generating employment for rural Yemenis from other parts of the country. In an assessment of qat in Yemen, the World Bank noted that the qat trade facilitates regular transfers of money from cities to rural areas. Moreover, the vast majority of income from qat sales remains in the local area, and employment in qat cultivation helps to limit urbanization. Nonetheless, Yemen's qat habit has been identified as one of the primary causes of poverty in the country, decreasing productivity, depleting scarce resources, and consuming an increasing larger portion of household budgets.[m]

In fact, so much land is devoted to qat cultivation, which comprises a large part of the Yemeni economy, that the country's ability to grow its own food has decreased to the point that it is now a net food importer. Worse, more than 5 million Yemenis go hungry each day, according to the Ministry of Planning and International Cooperation, and the country's childhood malnutrition rates are among the highest in the world. The UN World Food Programme noted last year that 97 percent of Yemeni households surveyed did not have enough money to pay for food and other essentials, leading family members to forgo meals, reduce protein consumption, seek second jobs, and sell personal belongings in an effort to cope. In May 2009, the UN body said many Yemenis were down to just one meal per day. Two months later, it announced an urgent call for donors for food aid for at-risk groups, in particular women and children.

Broader Economic Woes

Yemen suffers from the effects of the global economic downturn, endemic corruption, and inflation. Individually, each poses difficulties; together, they are a snapshot of an economy in crisis.

The downturn in the global economy has had a dire impact on Yemen. It has been hit hard by decreases in revenue and the dramatic fall in global crude oil prices. Critically, the global recession and economic slowdown in the Gulf have led to decreased remittances from Yemenis working abroad. Foreign investment, particularly from the Arab Gulf countries, is also down.

Corruption has also taken a toll. In recent years, Yemen has taken steps to curb corruption, enacting laws on money laundering, fiscal transparency, and anticorruption. Its Central Organization for Control and Auditing is recognized as an increasingly competent organization, and the establishment of the Supreme National Authority for Combating

Corruption is a positive move, although the organization's impact will be limited until it is granted enforcement capabilities.

Yet despite these efforts, corruption continues to be a serious and continuing problem, and fair and transparent prosecutions are needed. The auditing agency has alleged that nearly 30 percent of government revenue is never deposited in government accounts. The U.S. Agency for International Development noted in its 2006 *Yemen Corruption Assessment* report that corruption in Yemen is a result of weak government institutions. It identified the four main sources of corruption as the national budgetary process; the procurement system; the military-commercial system; and the ruling General People's Congress, or GPC, party apparatus. Allegations of an active black-market trade in refined petroleum products, as well as officially sanctioned or tolerated smuggling, also persist.

The Yemeni economy has suffered from significant inflation for the past several years. Periodic—and often only temporary—decreases in government subsidies have contributed to rising consumer prices. Inflation reached 20 percent last year. It has recently been brought down closer to 12 percent; however, it is expected to go up again because of a cyclical rise in import prices anticipated in the next three years.

Demographic and Human Security Challenges

A second major set of challenges confronting Yemen is demographic. Although the population growth rate has decreased slightly in recent years, it is among the highest in the world at just over 3.4 percent per year. As a result, more than two-thirds of the population is under the age of 24. In the next two decades, Yemeni and Western analysts alike expect Yemen's population to nearly double to more than 40 million people. Poverty is severe, with an annual per capita income of under $900 per year and nearly half the population earning less than $2 per day. Infant mortality is a major concern, in part a result of extremely limited pre- and postnatal care. Small programs established by European donors have had some success in combating this problem, but Yemeni children continue to die from preventable childhood illnesses.

The difficult terrain and the geographic dispersion of the population exacerbate the demographic challenges. Yemen's 23 million people are spread throughout roughly 135,000 villages and settlements. Many Yemeni villages are remote, spread across mountainsides and desert wadis, with less than one-third of the population living in urban areas. The central government has been unable to extend either a government presence or more than baseline social services to such a widespread population. As a result, many settlements are forced to be largely self-sufficient, providing their own health care centers, schools, and other social services. In the future, the ability of the central government to effectively exert its control throughout the entire country and provide basic services is in serious doubt, as it struggles to do so now.

Education

An inadequate education system aggravates the demographic challenges. The national literacy rate is about 50 percent, with female illiteracy near 70 percent. Women experience

disproportionate difficulty in accessing education, with enrollment rates dropping off by half from primary to secondary school.

According to Minister of Education Abdulsalam al-Joufi, one of Yemen's greatest problems is an insufficient number of qualified teachers. At unification in 1990, more than half of the country's teachers were deemed to be unqualified. For a number of years after unification, the government virtually ceded control of the education system to religious conservatives. The government has since sought to regain control of the education system and introduce modest reforms. As of January 2009, there were 42 programs in place to retrain more than 90,000 teachers. Population growth in the years since 1990 has further strained the education system. There are now only about 16,000 schools for the 135,000 villages and settlements.

Among the efforts to improve the education system, the government has tried consolidating the state schools, independent Islamic schools, and the old socialist school system from the former South Yemen. Another step has been to standardize the curriculum to promote the teaching of a range of core subjects. In May 2009, the *Yemen Observer* reported that a new review would be conducted jointly by the ministries of Education and Religious Endowment and Islamic Affairs to evaluate the curriculum used in the estimated 4,500 religious schools in the country, all of which are ostensibly under some form of government supervision. Details of this oversight, however, remain lacking. Similarly, the discussion of politics in classrooms is officially forbidden by the ministry, and school principals are expected to monitor such activities and reprimand noncompliant teachers. This process, however, has also proven difficult to implement, and it is unclear what measures are available to remove problematic teachers.

Underregulated religious education has been a recurrent problem in Yemen. According to al-Joufi, all "scientific institutes"—a "parallel and separate" Islamist education system, largely funded from Saudi Arabia and focused on religious and Arabic language instruction"—were closed by the government, although several Western analysts doubt this assertion. As part of an effort to reassert the ministry's primacy, the building that previously housed the Sana'a Institute, once the country's largest extra-governmental institute, is now the headquarters of the Education Ministry. Nevertheless, teachers formerly employed at scientific institutes remain in Yemen, and many are still teaching.

The Yemeni government is carrying out a fifteen-year plan to address deficiencies in the education system. Current priorities include efforts to improve the overall quality, unify the curriculum, and increase girls' access to education. Despite limited resources, the Ministry of Education has additional goals to amalgamate and harmonize the national education system into one coherent body, increase supervision throughout schools, and implement a nationwide testing system. Throughout all these programs, the ministry is also seeking to recast the learning process away from rote memorization, the traditional model in Yemen.

Employment

More than 25,000 people enter the labor market each year, and the figure is increasing as Yemen's population rapidly expands. Because of the weak economy and lack of development, unemployment is conservatively estimated at 35 percent. Yemeni officials recognize that the central government is not able to hire all those seeking work and the

private sector is unable to pick up the slack. Ali Mohammed al-Anisi, the director of the Presidential Office and chairman of the National Security Bureau, observes that unemployed youth are exploited by extremist elements, including al-Qaeda and Houthi rebels. The government acknowledges that the country's economic difficulties contribute to its security problems, and some officials recognize that the government's plans for addressing these issues are inadequate.

With Yemen's population set to double by 2030, the increase cannot be absorbed solely into the domestic labor market. Yemen will need to export labor to wealthy Gulf states. Labor remittances already contribute approximately $1 billion to the economy each year. The typical Yemeni expatriate worker supports up to seven people back home. However, Saudi Arabia and the other Gulf countries are no longer much interested in importing unskilled Yemeni laborers and it is unlikely that Yemeni workers will displace other third country nationals laboring in the Gulf. To be competitive, Yemen will need to export semiskilled workers, trained and certified in specialized areas. Toward this end, several regional states have launched training programs, and in July 2009, Saudi Arabia announced its intention to finance 69 technical training institutes in Yemen.

ADDRESSING THE CONVERGENCE OF PROBLEMS

The interlocking challenges outlined in this testimony have the potential to overwhelm the Yemeni government. At the heart of the problem is the central government's failure to exercise full control and authority throughout the entire national territory. A critical paradox is that expanding the presence of the government throughout the country potentially means delegitimizing the government, because expanding state control has long been synonymous with imposing northern, Sanaan control. This also touches on sensitive issues related to tribal identity. Much of the population outside major highland urban areas associate the Saleh regime with corruption, cronyism, nepotism, and blocked economic and social opportunities; therefore, expanding central government control risks alienating more of the population. This inverse relationship between levels of central government control and regional resistance and resentment has historically frustrated governance efforts in Yemen.

The Yemeni government and major international donors have sought to address Yemen's rapidly converging problems, with varying degrees of success. Sanaa has outlined an ambitious yet vague approach centered on strengthening the government's control through decentralization. Major donors have increased financial assistance and implemented programs designed to reduce the impact of Yemen's problems, although more needs to be done. Ultimately, the interconnected problems facing Yemen will require domestic, regional, and international coordination to resolve.

The Government of Yemen's Efforts to Date

Despite facing severe financial limitations, the Yemeni government has identified several broad focus areas, including efforts to boost the economy and to expand government control. For instance, the Ministry of Planning and International Cooperation wants to increase the Social Welfare Fund and expand the number of beneficiaries of government assistance. The planning minister, Abdulkarim al-Arhabi, also advocates incentivizing government assistance programs by offering temporary assistance based in part on certain

conditions, such as keeping children in school or successfully completing adult skill training courses.

While addressing the economy merits urgent attention, little is known about how the government plans to go about this. Broad goals have been set, although it is not clear how any of them would be implemented. According to several senior officials, Yemen's strategic plans for dealing with the economy are made up of seven interconnected goals: integrating Yemen in the Gulf Cooperation Council; encouraging oil and gas exploration; promoting non-hydrocarbon foreign investment; increasing aid and development assistance; reforming the business environment; addressing population growth; and expanding education opportunities. These ambitious objectives seek to address many of the issues discussed above, although specific measures to advance these goals have not yet been enumerated.

In the near term, the Yemeni government will need to address the economic status quo, the rise of under-governed spaces, and the looming water crisis.

A Post-Oil Economy?

Yemeni officials have done little serious planning to prepare for a viable post-oil economy. Options being discussed include mineral exploitation, tourism, and maritime shipping and trade services. The mining of gold, silver, zinc, granite, and marble are under consideration by the Ministry of Oil and Minerals as potential projects, although infrastructure concerns have been noted about all such mining. The *Economist Intelligence Unit* reports that a major zinc project began in February 2009, with exports scheduled for 2010. It estimates that the twelve-year project will contribute $600 million to the national economy and employ more than 350 Yemeni nationals. Commercial fishing also has potential, although according to senior Yemeni officials, marine resources would require judicious management to prevent over fishing and depletion.

Senior officials have also proposed tourism, noting Yemen's rich cultural heritage. Such plans would be subject to security considerations, because several recent incidents of terrorist attacks have been directed against foreign tourists visiting historical sites. Eight Spaniards were killed in a July 2007 bombing at Bilqis Temple in Marib, and two Belgians and four South Koreans were killed in separate attacks in Hadramout in January 2008 and March 2009, respectively.

With more than 2,200 kilometers, or 1,367 miles, of coastline alongside one of the world's busiest shipping lanes, on paper Yemen would seem to be perfectly positioned to offer shipping and related services. The port of Aden is one of the world's greatest natural deepwater harbors and currently includes a container terminal, oil harbor, and other facilities. Originally used as a coaling station for the British Royal Navy, it could potentially service commercial and other traffic. Plans to develop the port suffered a major setback following an attack on the USS *Cole* during a refueling stop in October 2000 that killed 17 U.S. sailors. (An attempted attack a few months earlier against another American warship refueling at Aden, USS *The Sullivans*, failed when the small boat carrying the explosives sank under its own weight.) Security concerns were again highlighted after the October 2002 attack on the MV *Limburg* that killed one crew member and spilled 90,000 barrels of oil. After the *Limburg* attack, insurance premiums for ships using the Port of Aden soared, traffic dropped off, and

the foreign operator, Port of Singapore Authority, ended its contract. It has been suggested recently that Aden could host cruise ships, but security concerns and exorbitant insurance premiums make this an extremely unlikely prospect.

The most promising source of near-term potential revenue appears to be sales of liquefied natural gas. An ambitious and large-scale natural gas liquefaction project has been under way in Yemen since the mid-1990s. After numerous false starts and other obstacles, it was scheduled to begin operation in mid-2009. Experts have raised several concerns about the Total S.A.–led project, ranging from human capacity and technical issues to doubts about physical infrastructure security and market viability. According to a report by the World Bank, the government of Yemen would earn about $10.8 billion in royalties, bonuses, and taxes from the project over a twenty-year period through 2028.[3] Several billion dollars in other income from dividends and operating fees are also likely during that period. To be sure, this is revenue that Sanaa badly needs. But even in a best-case scenario, income from exports of liquefied natural gas would only offset the drop in revenue from oil exports and not replace oil income. This is because, among other reasons, global liquefied natural gas prices have dropped and there are no guaranteed customers. Furthermore, it is very likely that the Yemeni government will experience a period of curtailed revenue between the end of oil exports and the onset of new income from the sale of liquefied natural gas during which Yemen's other crises will worsen. In the end, even Yemen's natural gas reserves are limited, and they, too, will eventually run out. Revenue derived from liquefied natural gas thus will only postpone the inevitable—shifting to a post-hydrocarbon economy.

Planned Decentralization

One potentially critical policy being developed by the Yemeni government is to transfer control from the central government to regional governorates. This decentralization strategy seeks to recognize the de facto autonomy that exists in several areas of the country. By granting more responsibility to such areas, Sanaa asserts that local governments will in turn perform more professionally. This is a gradual and ongoing process, and Yemeni officials have noted that not all governorates are up to the task. According to officials, large national functions such as enacting legislation and setting and monitoring strategic goals would be retained by the central government, while localities would be responsible for building roads, schools, and health care centers. This is to be financed through a combination of local resources, such as unspecified fees collected by local authorities and central resources that the regime would distribute to local authorities.

In essence, this strategy institutionalizes the informal patronage systems that have served in lieu of durable national governance bodies, and it encourages the further development of regionalism at the expense of the central government. It is also a tacit recognition that outlying regions operate outside of central government control. Government officials argue that the capital will be able to manage the governorate through such tools as the ruling General People's Congress party apparatus, thereby enabling Sanaa a say in who leads local governorates. The state also plans to use the party apparatus to combat what it has identified as the biggest challenges to decentralization: poverty, illiteracy, and tribalism.

Ultimately, it appears that such a policy would involve the central government's selecting a local leader who would then be granted limited autonomy in exchange for certain levels of

governance and provisions of social services. This is to be controlled through local council elections and the eventual elections of regional governors, in processes largely guided by the ruling party.

Official government-directed decentralization merely grants the state's imprimatur on the status quo throughout much of the country. It is unclear how localities would fund social services when the central government is unable to do so now. Given that the primary objective vis-à-vis state stability in Yemen is to instill some control over what are now under-governed territories and to prevent the emergence of other under-governed territories, officially limiting the central government's role is counterproductive at best. Building robust institutions able to deliver social services and safeguard local populations is essential.

The Pending Water Crisis

The rapidly decreasing availability of water also demands immediate attention. The urgency of the pending crisis is obscured by the fact that water resource depletion is a gradual process that will occur throughout the country at different times. The immediate onset of Yemen's water crisis may therefore go unnoticed by the regime and by international policy makers as outlying regions and governorates experience chronic shortages and high prices for water before other, more central, urban population areas.

Despite government recognition of the problem, the issue is not a priority for Sanaa. Al-Iryani, the water and environment minister, has observed that until the state elevates water conservation to be a national concern—as was done in 2007 to ban weapons in Sanaa—little movement will be made. Addressing the issue of water will require broad coordination among ministries, as well as tackling a number of sensitive subjects such as corruption, government priorities, budgetary subsides, and societal norms.

There are no easy solutions. Other Gulf states have resorted to the desalinization of seawater; that is unfeasible in Yemen, however, because fuel costs are so high (Yemen's hydrocarbon reserves are far more modest than elsewhere and are already slated for export) and because the desalinated water would have to be pumped up more than 7,000 feet to reach the capital and other major population centers in the highlands.

More feasible for Yemen would be the reintroduction and modernization of traditional methods of agriculture and irrigation. Curbing government subsidies and purchases of qat for official functions could also be effective. Encouraging the importation of qat from East Africa and helping farmers transition to growing cereals and foodstuffs would also help curtail water usage, though admittedly that would prove difficult because growing qat is far more profitable for farmers. Enacting a legal regime to govern the use and distribution of groundwater is also an imperative. If such measures are not taken in the near term, more dramatic steps will be required in the future, such as stopping rural populations from moving to overcrowded cities, and, more drastically, relocating population centers from the center of the country to the coasts.

WAYS TO HELP

It is essential that Washington take a holistic approach to Yemen. Although the major U.S. foreign policy concern with regard to Yemen since 2001 has been security and counterterrorism, the country's deteriorating security is a result of problems unrelated to security. As such, in many cases development assistance, education and technical cooperation, capacity building, institution strengthening, and direct financial assistance can better address the interconnected challenges facing Yemen than can military and security aid.

Framing the U.S.–Yemeni relationship as based solely on security and counterterrorism issues, to the near exclusion of all other issues, has meant that movement on all other issues has been subject to Washington's perception of progress and cooperation from Sanaa on counterterrorism issues. As a result, a lack of movement of counterterrorism issues has stalled all other interactions (and the fact that Yemen is slated to receive more U.S. military and security assistance funding than development assistance in fiscal 2010 demonstrates a continued misallocation of priorities). The United States has ongoing foreign policy and national security interests with regard to Yemen that extend beyond counterterrorism issues, and so it is in Washington's interests to engage Yemen on other issues that will contribute indirectly to improving domestic security.

Yemen should be viewed as part of the Horn of Africa *and* the Arabian Peninsula. While geographically part of the Arabian Peninsula, Yemen in fact has little else in common with the Gulf Cooperation Council states. To be sure, there are many deep connections between Yemeni and Saudi society, but the income disparity and differences in public service provision between Yemen and the Gulf Cooperation Council states clearly point to their differing problems, challenges, and capabilities. In many respects, Yemen's problems more closely approximate those of neighboring East Africa. Yemen's deep ties with the Horn of Africa and role in a greater East Africa smuggling and security complex further underscore the need to view Yemen with a broader lens.

Looking forward, there will be a greater need to improve donor coordination and assistance programs—all the more so because the ongoing global financial crisis will further strain international assistance programs. The Yemeni government currently does a poor job of managing international assistance, and international donors need better synchronization to maximize their impact.

Increased financial assistance to Yemen, such as that currently proposed for fiscal 2011, is required. Assistance can be used to support and offset the difficult economic choices that will need to be made in Yemen, such as curbing government subsidies on diesel and introducing agricultural diversification. Local capacity-building efforts, such as English language instruction, teacher training courses, micro-finance enterprises, and exchange programs for judges, members of parliament, journalists, government workers, and academics can help fill voids left by reduced state capacity.

On security issues, strengthening border guard units so that the central government can better secure its own national borders is a first-order priority. This must be done in coordination with other regional neighbors including Saudi Arabia and Oman. Since 2001, the United States has taken steps toward this objective by supporting the establishment of

the Yemeni coast guard and conducting needs assessments of the border guard units. However, senior Yemeni officers report that there has been little follow-through, and both the coast guard and border guards are in desperate need of equipment and training—something the bulk of U.S. security assistance for fiscal 2010 is intended to provide. Increased military-to-military training and exchanges with both the United States and other regional partners should also take place.

Yemen's ability to combat terrorism must be bolstered through efforts to build local capacity in law enforcement and in the legal and judicial systems. Enacting counterterrorism legislation and terror finance laws would help build state resilience. Greater policing training and programs to professionalize the prison service can help staunch one of the greatest concerns held by Western counterterrorism officials. In areas where it is not feasible or desirable to partner with the United States, such efforts can utilize the unique assets of European nations and other regional states.

Ultimately, a regional approach is needed to help improve stability in Yemen. The threats posed to Yemeni security and stability will jeopardize interests well beyond Yemen's borders, and as such there is not solely a U.S., European, or regional solution to Yemen's many challenges. The only way to mitigate the impact of these problems is through the active involvement of all stakeholders. Saudi Arabia and other Gulf Cooperation Council states need to be encouraged to take greater action because failure to address Yemen's looming challenges would hit the regional states first and hardest. Washington should encourage the Gulf states to hold out membership in the Gulf Cooperation Council for Yemen in exchange for tough steps, including progress on curbing government subsidies, addressing corruption, and enacting measures to curtail security concerns. The council should also open trade with Yemen and formalize labor movements to help create a viable and durable future for the country. Yemen should establish high coordination commissions (like the one that exists with Saudi Arabia) with other Gulf states. The international community will also need to help mediate the southern secessionist issue, support a ceasefire in Saada, and begin reconstruction and development assistance to these regions.

CONCLUSION

Senior Yemeni officials have acknowledged that the country's economic challenges complicate and worsen its security concerns. Development plans, poverty limitation efforts, employment schemes, and public service provision have all been adversely affected by the linkages between the economy and security. Furthermore, domestic unrest and Islamist terrorism have done much to damage the reputation of Yemen as a foreign investment location.

The challenges and problems facing Yemen are not unique in the region. Throughout the Middle East, an increasing number of countries face similar problems of deteriorating state capacity and rising economic and demographic instability. However, in Yemen these challenges threaten to disrupt not just local stability, but also regional and international stability, including the flow of vital hydrocarbons. If left unaddressed, Yemen's problems could potentially destabilize Saudi Arabia and the other Gulf states. The inability of the Yemeni central government to fully control its territory will create space for violent extremists to regroup and launch attacks against domestic and international targets. The

international community must be realistic about the limitations of intervention in Yemen. In the near term, however, inaction is not an option.

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[i] Eurasia Group, "Yemen Outlook," December 9, 2008, p. 3.
[ii] Ginny Hill, "Yemen: Fear of Failure," Chatham House briefing paper, November 2008, p. 10.
[iii] World Bank, "Yemen: Towards Qat Demand Reduction," June 2007, p. 2.
[iv] Bernard Haykel, "Rebellion, Migration or Consultative Democracy? The Zaydis and their Detractors in Yemen," in R. Leveau, F. Mermier, and U. Steinbach, eds., *Le Yémen Contemporain* (Paris: Karthala, 1999), p. 196.
[v] World Bank, "Republic of Yemen: A Natural Gas Incentive Framework," June 2007, p. 5.

Chairman BERMAN. Thank you. That is an optimistic note to start off on. Jonathan Schanzer?

STATEMENT OF MR. JONATHAN SCHANZER, VICE PRESIDENT FOR RESEARCH, FOUNDATION FOR DEFENSE OF DEMOCRACIES

Mr. SCHANZER. Chairman Berman, Ranking Member Ros-Lehtinen and distinguished members of the committee, on behalf of the Foundation for Defense of Democracies, I thank you for the invitation to address you today.

I had the opportunity to visit Yemen in 2003 to conduct research on al-Qaeda. During my visit, I met with high level officials and journalists who made a convincing argument that Yemen was working hard to defeat the terrorists in its midst. Upon my return from Yemen, I even wrote several articles praising Yemen's effort. However, those efforts soon flagged, and today I believe that Yemen's counterterrorism program is woefully insufficient.

Al-Qaeda has been active in Yemen since 1989. It attempted its first known attack against U.S. soldiers in Yemen bound for Somalia in 1992. In subsequent years, al-Qaeda used Yemen to house its businesses and logistical hubs, and by the 1990s, al-Qaeda's affiliates in Yemen carried out several small operations before shifting their sites to high profile U.S. targets, notably the USS *Cole* in 2000. More attacks followed. In 2002, al-Qaeda elements attacked the French tanker, the *Limburg*, and then nearly succeeded in shooting down a U.S. oil company's helicopter with SAM missiles and automatic gunfire.

To be clear, the nature of the threat in Yemen is as serious as any country in the Middle East. Al-Qaeda has long viewed this country as critical for training, financing and executing attacks.

Yemen's understanding of this, however, was initially slow and begrudging. Only after the *Limburg* attack did the Yemenis appear to understand the need to work more closely with us. Thereafter, Yemen developed closer ties with U.S. Special Forces, the CIA, and the FBI. It allowed us access to air space and its waters. It even monitored mosques and launched a public relations campaign whereby clerics convinced young radicals that jihadism was anti-Islamic in nature. In short, Yemen earned the millions of dollars that we provided them in counterterrorism in the early part of this decade.

This effort yielded tremendous results. In November 2002, based on Yemeni intelligence, the CIA launched a hellfire missile on six high value al-Qaeda operatives from a predator drone. Cooperation with Yemen also yielded many important arrests. This unlikely success story was remarkable, but it did not last long. In retrospect, this decline was not about a lack of capabilities, it was about Yemen's unwillingness to continue cooperating with the United States.

In April 2003, 10 USS *Cole* suspects somehow escaped from a Yemeni jail. This was shocking. Jailbreaks almost never take place in the Arab world. This raised the question of whether Yemen had allowed the jailbreak to occur.

Later that year, President Ali Abdullah Saleh announced he would release dozens of al-Qaeda fighters if they simply pledged

not to return to terrorism. What began as an influx of Yemeni fighters to the Iraq insurgency led to an increase in terrorist infrastructure. In 2006, another 20 jihadists broke out of jail. One of them notably was Nasir al-Wahishi, an associate of bin Laden who went on to lead al-Qaeda of the Arabian Peninsula. In 2007, even as Yemen rounded up terror suspects, it released other high value prisoners, including bin Laden's former bodyguard and an organizer of the USS *Cole* attack.

Meanwhile, Saleh has welcomed Hamas delegations on several occasions. He confirmed in 2002 that his country had raised $7.8 million for Hamas. Recently, a Yemeni news agency announced that Yemen opened a paramilitary camp for foreign fighters to train in Gaza as well. Yemen has refused to seize the passports and assets of Abdul Majid al-Zindani, who we heard about earlier, after his designation by the United Nations as an al-Qaeda financier. In fact, Zindani travelled to Saudi Arabia in December 2005 for a summit of the organization of the Islamic conference as part of President Saleh's official delegation.

The current thinking in Washington is that Yemen needs our help. It undoubtedly does. However, upping our aid to Yemen without strict preconditions is not the answer.

If Yemen continues to allow terrorists to roam free, the problems in Yemen will continue to amount, and it is up to the Yemenis to fix this. The government must prove it will put our taxpayer funds to good use rather than squander them as it has in recent years. The government must prove that it has a plan before we commit our taxpayer money. Indeed, Yemen must articulate how it will reverse the poor policy choices that have brought us to this position today.

U.S. aid should never be guaranteed. U.S. allies must earn it. In recent years, Yemen has failed to uphold its end of the deal. It must now demonstrate that it is ready to get serious about combating terrorism again. On behalf of the Foundation for Defense of Democracies, I thank you for inviting me to testify here today.

[The prepared statement of Mr. Schanzer follows:]

Congressional Testimony

Aid to Yemen:
Throwing Good Money After Bad?

Testimony by Jonathan Schanzer
Vice President, Foundation for Defense of Democracies

Hearing before the House Committee on Foreign Affairs
"Yemen on the Brink: Implications for U.S. Policy"

Washington, DC
February 3, 2010

FDD
FOUNDATION FOR DEFENSE OF DEMOCRACIES
1726 M Street NW • Suite 750 • Washington, DC 20036

Chairman Berman, Ranking Member Ros-Lehtinen, and distinguished Members of the House Committee on Foreign Affairs, on behalf of the Foundation for Defense of Democracies, I commend you for holding this important and timely hearing. Moreover, I wish to thank you for the opportunity to address you today about the challenges of supporting the counterterrorism effort in Yemen.

I had the opportunity to visit Yemen in June of 2003. I traveled there upon the invitation of the Yemeni ambassador to the United States to conduct research on an al-Qaeda affiliate group known as the Islamic Army of Aden-Abyan. During my visit, I met with several high-level officials and journalists who made a convincing argument that Yemen was making great strides to defeat the terrorists in its midst. Upon my return from Yemen, I wrote several articles praising Yemen's efforts. However, one year later, it became clear that Yemen's efforts were fleeting. I now believe that Yemen has failed us as a partner in the war on terror.

The following testimony recounts Yemen's problems with terrorism, its attempts to counter those problems with U.S. assistance, and its subsequent failure, culminating in the recent attempted bombing by Umar Farouk AbdulMutallab of an airplane headed to Detroit after he received training and indoctrination in Yemen.

Terrorism in Yemen

The al-Qaeda network has been active in Yemen since its inception in 1989. After the Soviets withdrew from Afghanistan, Yemeni Afghans returned to their homeland and began setting up training camps. Several analysts assert that bin Laden recognized that Yemen was fertile ground for his network and even considered moving al Qaeda's base of operations there. Others point out that bin Laden's father, Mohammed bin Laden, hailed from the Yemeni village of Hadramawt.

Bin Laden's network attempted its first known attack against U.S. soldiers bound for Somalia in 1992. In subsequent years, al-Qaeda used Yemen to house some of its business fronts and safe houses, which served as financial, logistical, and passport-forgery centers.[1] At one point, bin Laden was reported to have a ceramics manufacturing firm in Yemen. Additionally, several businesses in Yemen's honey industry were listed by the U.S. Treasury as fronts to launder terrorist funds.[2] Other fronts undoubtedly remain.

[1] Michael Scheuer, *Through Our Enemies' Eyes: Osama Bin Laden, Radical Islam, and the Future of America.* (Washington, D.C.: Brassey's, 2002), pp. 112, 126; Rohan Gunaratna, *Inside Al Qaeda: Global Network of Terror.* (NY: Columbia University Press, 2002), pp. 12, 139–40.
[2] Simon Reeve, *The New Jackals: Ramzi Yousef, Osama bin Laden and the Future of Terrorism* (Boston: Northeastern University Press, 1999), p. 207.

The Islamic Army of Aden (IAA) did not emerge as a structured al-Qaeda affiliate until the late 1990s, when its leader Zein al-Abidin al-Mihdar (aka Abu al- Hassan) released communiqués criticizing Sanaa's policies and calling for the overthrow of the government.[3] After a series of smaller operations, the IAA adopted a bold new strategy in 2000: attacking high profile U.S. targets. Together with members of the al-Qaeda core, the group carried out a failed attempt on the USS The Sullivans, and then a deadly attack on the USS Cole.[4] Despite clear evidence of al-Qaeda's involvement, Yemeni security cooperation was slow and begrudging. This led some U.S. security officials to assert that the Yemeni security apparatus had been penetrated by al-Qaeda elements.

Tensions between Washington and Sanaa continued through 2000 and 2001. The State Department reported that Yemen was a safe haven for other al-Qaeda's affiliates, including Egyptian Islamic Jihad, al-Gamaa al- Islamiyya, and the Algerian Armed Islamic Group, as well as members of al-Qaeda's upper echelon. U.S. officials also established links between the twin embassy bombings of 1998 in East Africa, the Cole attack, and 9/11.[5]

Yemen soon became one of the more active fronts in the war on terror. In April 2002, an explosion rocked the Civil Aviation building in Sanaa. In August 2002, Sanaa authorities discovered large quantities of Semtex explosives hidden among pomegranates.[6] On October 6, 2002, al-Qaeda's Yemeni network attacked the French tanker, The Limburg, in the port of al-Dabbah. The attack killed one and injured seventeen. On November 3, 2002, a group of al-Qaeda operatives attempted to shoot down a U.S. oil company helicopter with SAM missiles and a barrage of automatic gunfire, injuring two people.[7] After initially denying that it had a terror problem, Sanaa soon admitted that it needed to take more drastic steps.[8]

Counterterrorism in Yemen

Even before this rash of terrorist attacks, Sanaa launched an effort in 1996 to deport illegal immigrants and suspected foreign terrorists. After the U.S.S. Cole bombing, the government worked to monitor mosques and Islamic organizations, and launched a public relations campaign whereby clerics convinced young radicals of the anti-Islamic nature of jihadism. Concurrently, government officials warned the public of terrorism's cost to

[3] "Aden Islamic Army Threatens the American and British Ambassadors if they do not Leave Yemen," March 12, 1999, http://www.library.cornell.edu/colldev/mideast/feat9en.htm, verified by a senior U.S. official, Washington, D.C., August 13, 2003.
[4] Peter Bergen, *Holy War, Inc: Inside the Secret World of Usama bin Laden*. (NY: Free Press, 2001), p. 168; Jason Burke, *Al-Qaeda: Casting A Shadow of Terror*. (NY: I.B. Tauris, 2003), pp. 192–93.
[5] *Patterns of Global Terrorism, 2000*; *Patterns of Global Terrorism, 2001*; *Terror in Yemen*, p. 63.
[6] Susan Schmidt, "Yemen Recovers Huge Cache of Explosives from Blast Site," *Washington Post*, September 11, 2002.
[7] *Terror in Yemen: Where To?* (Sanaa: 26th September Publications, 2002), pp. 26 & 55.
[8] Hammoud Mounassar, "Yemen Finally Admits Deadly French Tanker Blast Was Terror Attack," Agence France Presse, October 17, 2002.

the economy. Sanaa also upped its cooperation with British Special Forces, U.S. Special Forces, the CIA, and the FBI.[9] It even allowed U.S. the use of its air space and waters.[10] By March 2003, Yemen reportedly had received about $100 million in U.S. aid for counterterrorism.[11]

This increased effort yielded results almost immediately. On November 5, 2002, based on Yemeni intelligence, the CIA tracked al-Qaeda operatives driving in the desert region of Marib. The agency launched a Hellfire missile on them from a Predator UAV, killing six people, including Qaed Salim Sinan al-Harethi, a high-level al-Qaeda operative who had taken part in the attack on the Cole. Also killed were several IAA cadres and Kamal Derwish, the alleged leader of the "Lackawanna Six," a Yemeni al-Qaeda cell that was discovered outside of Buffalo, New York in 2002.[12]

The cooperation did not end there. Indeed, these ties yielded a number of arrests, including Fawaz al-Ribeidi and Nasser Megalli, two high profile al-Qaeda suspects, in April 2003.[13] In June, Yemeni forces attacked an al-Qaeda hideout in Hattat, with the help of U.S. Special Operations forces. Other arrests in connection to the Limburg and Cole bombings were made through the end of the year. All the while, Yemen was tightening its control over its mosques.[14]

Counter-Counterterrorism in Yemen

Yemen's unlikely success story was remarkable at the time. It prompted rare praise from both the Departments of Defense and State during the George W. Bush Administration. However, Sanaa's efforts began to unravel.

In April 2003, ten U.S.S. Cole suspects escaped from a Yemeni jail. This was shocking; jailbreaks are almost never reported in the Arab world. Indeed, the incident raised the question of whether some elements of the security services had allowed the jailbreak to occur. Then, in autumn 2003, Yemen also made some surprising changes to its counterterrorism policy. President Ali Abdullah Saleh announced that he would release dozens of militants with links to al-Qaeda as long as they "pledged to respect the rights of non-Muslim foreigners living in Yemen or visiting it." By late November, as many as 146 prisoners suspected of having al-Qaeda links were scheduled to be released.[15]

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[9] Interview with Dr. Rashad al-Alimi, Minister of the Interior, Sanaa, Yemen, June 14, 2003.
[10] "Yemen Allows U.S. Use of Air Space, Waters," *Middle East News Line*, November 19, 2002.
[11] Jane Perlez, "Gunman Kills 3, Then Himself, At American Oil Rig in Yemen," *New York Times*, March 14, 2003.
[12] Walter Pincus, "U.S. Strike Kills Six in Al-Qaeda; Missile Fired by Predator Drone; Key Figure in Yemen Among Dead," Washington Post, November 5, 2002, p.A1.
13 "Yemen arrests key al Qaeda suspects," Reuters, June 4, 2003.
www.talktalk.co.uk/news/world/reuters/2003/04/06/yemenarrestskeyalqaedasuspects.html
[14] Khaled al-Mahdi, "Yemen Tightens Grip on Mosques," *Arab News* (Saudi Arabia), June 9, 2004.
[15] Jonathan Schanzer, "Catch and Release Doesn't Work," *Weekly Standard*, July 23, 2007,
www.weeklystandard.com/Content/Public/Articles/000/000/013/872kgeeb.asp

Yemeni officials insisted that the amnesty would not detract from Yemen's overall efforts to fight terrorism. Senior figures privately explained that the release had to be viewed within the context of tribal politics. By releasing the "less dangerous" suspects, Sanaa would maintain relations with influential tribes that play a significant role in Yemeni counterterrorism efforts. Officials also noted that the prisoners would not be released entirely on their own recognizance; their families had to sign for them. However, officials also admitted that it never had plans (or the resources) to track the activities of those they released.[16]

The first sign that things went wrong was the fact that Yemenis were arriving Iraq in disproportionate numbers as the insurgency began to gain momentum in 2004. According to one report, as much as 17 percent of the foreign fighters in Iraq hailed from Yemen.[17]

Yemen vs. The U.S. 1267 Committee

Yemen's shirking of its counterterrorism responsibilities continued in the wake of the February 2004 designation of Abdul Majid al-Zindani by the U.S. Treasury. In naming Zindani a Specially Designated Global Terrorist (SDGT), the Treasury noted that he had a "long history of working with bin Laden" as a "spiritual leader," that he helped recruit for al-Qaeda, and that he served as a contact for the Iraqi group tied to bin Laden's network known as Ansar al-Islam.[18]

Yemen was required to take action against Zindani because the United Nations also placed him on the U.N. Security Council Resolution 1267 Consolidated list of individuals and entities tied to al-Qaeda, Usama bin Laden and the Taliban. Indeed, once Zindani was placed on that list, Yemen was to strip him of his passport and freeze his assets.[19]

Until today, the Yemeni government has not stripped Zindani of his passport in accordance with U.N. resolutions, nor has it frozen Zindani's assets. In fact, Zindani traveled to Mecca, Saudi Arabia in December 2005 to attend the Summit of the Organization of the Islamic Conference.[20] Remarkably, he attended the conference as part of President Ali Abdullah Saleh's official delegation.[21]

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[16] Phone interview with Saleh advisor, November 25, 2003.
[17] Asaf Maliach, "The Global Jihad – The Yemeni Connection," International Institute for Counter-Terrorism, March 20, 2006 (updated), www.ict.org.il/Articles/tabid/66/Articlsid/207/currentpage/10/Default.aspx
[18] "United States Designates Bin Laden Loyalist," U.S. Treasury Press Release, Feb. 24, 2004, www.treas.gov.
[19] United Nations Security Council, "The Consolidated List established and maintained by the 1267 Committee with respect to Al-Qaida, Usama bin Laden, and the Taliban and other individuals, groups, undertakings and entities associated with them," U.N. Security Council, January 25, 2010. www.un.org/sc/committees/1267/consolidatedlist.htm
[20] "Bin Laden Loyalist, Wanted by the U.S. Yemenite Sheikh Abd Al-Majid Al-Zindani, in Support of Palestinian Suicide Bombers at a Hamas Fundraiser Live on Al-Jazeera," *Memri Special Dispatch No. 1129*, March 29, 2006. www.memri.org/report/en/0/0/0/0/0/0/1651.htm
[21] "Bin Laden Loyalist, Wanted by the U.S. Yemenite Sheikh Abd Al-Majid Al-Zindani, in Support of Palestinian Suicide Bombers at a Hamas Fundraiser Live on Al-Jazeera," *Memri, Dispatch No. 1129*, March 29, 2006.

In February 2006, the United States formally asked Yemen to arrest Zindani, but Yemen apparently refused. In the U.S. State Department's *Country Reports on Terrorism 2007*, it is noted that Yemen has "continued to take no action to bar his [al-Zindani's] travel or freeze his assets in compliance with its U.N. obligations."[22]

Yemen Unravels

Things went from bad to worse in 2006, when authorities foiled two al-Qaeda suicide attacks against Yemeni oil and gas installations.[23] While tragedy was averted, it was an indication that Yemen was coming undone. More than twenty accused terrorists had escaped that same year from a jail in Sanaa.[24] Analysts again wondered whether the government chose to look the other way. Regardless, the damage had been done. Nasir Wahishi, a former close associate of bin Laden was one of the escapees. He later went on to lead the Yemeni branch of "Al-Qaeda of the Arabian Peninsula."[25]

In 2007, even as the Yemeni government rounded up additional suspects and announced a $75,000 reward for information leading to the capture of others, the government released at least three other high value prisoners, including bin Laden's former bodyguard Fawzi al-Wajeh and Ali Mohammed al-Kurdi, who was sentenced to death for his role in suicide bombings in Iraq and a hotel bombing in Yemen's port city of Aden.[26] Indeed, the U.S. government suspended its $20 million in aid after learning that the Yemenis also freed Jamal al-Badawi, an organizer of the attack on the U.S.S. Cole.[27]

Not surprisingly, as Yemen continued to allow terrorists to roam free, attacks continued to take place. On July 2, 2007, nine people, including seven Spanish tourists, were killed by a suicide bomber driving an explosives-laden car at an archaeological site. The aforementioned al-Qaeda franchise calling itself "Al-Qaeda of the Jihad in Yemen" claimed responsibility for the carnage.[28] The following year, in September 2008, the group was responsible for a rocket-propelled grenade attack on the U.S. embassy in Sanaa.[29]

Hamas Ties

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www.memri.org/report/en/0/0/0/0/0/0/1651.htm; U.S. Department of State, *Country Reports on Terrorism 2005*, Office of the Coordinator for Counterterrorism, April 28, 2006, p.147. www.state.gov/documents/organization/65472.pdf

[22] U.S. Department of State, *Country Reports on Terrorism 2007*, Office of the Coordinator for Counterterrorism, April 2008, p. 131. www.state.gov/documents/organization/105904.pdf

[23] Eric Watkins, "Al Qaeda attacks in Yemen latest to target oil," PennEnergy, April 7, 2006,

[24] Barbara Starr and Terry Frieden, "Second Terrorist ID'd in Yemen Jailbreak," cnn.com, February 8, 2006, www.cnn.com/2006/WORLD/asiapcf/02/08/yemen.escape/index.html

[25] Andrew England, "Origins of Group Traced to Sana'a Jailbreak," *Financial Times*, December 29, 2009. www.ft.com/cms/s/0/98e0ba62-f4a3-11de-9cba-00144feab49a.html

[26] Kathy Gannon, "Yemen Employs New Terror Approach," Associated Press July 4, 2007, www.washingtonpost.com/wp-dyn/content/article/2007/07/04/AR2007070400992.html

[27] Ellen Knickmeyer, "Attack Against U.S. Embassy in Yemen Blamed on Al-Qaeda," *Washington Post*, September 18, 2008, /www.washingtonpost.com/wp-dyn/content/article/2008/09/17/AR2008091700317.html.

[28] "Suicide Bomber Attacks Tourists at Yemen Temple, Killing 9," Associated Press, July 3, 2007, www.nytimes.com/2007/07/03/world/middleeast/03yemen.html

[29] "Sada al-Malahim (Echo of the Epic Battles)" Jihadist Magazine published by al-Qaeda of the Arabian Peninsula, November 9, 2008.

While Yemen's efforts to fight al-Qaeda have deteriorated, its efforts to combat other terrorist groups, such as Hamas, are non-existent. President Ali Abdullah Saleh has welcomed Hamas delegations on several occasions. He met with Hamas leader Khaled Meshal in Yemen in the wake of the Palestinian intifada of 2000 to express "solidarity."[30] Two years later, Saleh confirmed that his country had raised 1.6 billion Yemeni Riyals (about $7.8 million) for Hamas, in addition to "donations in kind."[31]

The Hamas visits continued throughout the decade. In 2008, the president welcomed a high level delegation from the terrorist group that included Meshal, Said Siyyam, and Musa Abu Marzuq.[32] More recently, a Yemeni news agency announced that Yemen had opened a paramilitary training camp for foreigners to train for jihad in Gaza.[33]

Guantanamo Bay

While Yemen's president continues to court Hamas, the al-Qaeda problem in Yemen gets worse. The failed bombing of an American airliner on Christmas Day last year was merely an indicator of what may come. Out of the 74 Guantanamo Bay prisoners that returned to jihadism, at least a dozen have rejoined al-Qaeda to fight in Yemen. Despite this and Sanaa's spotty track record in recent years, the government has indicated that it seeks to welcome nearly 100 additional former inmates from the Cuban prison facility.[34]

It is therefore appropriate to point out what my colleague FDD Senior Fellow Thomas Joscelyn has written in the pages of the *Weekly Standard*. He notes, along with author Stephen F. Hayes, "the Gitmo problem is also a Yemen problem." Indeed, as long as Yemen fails to take counterterrorism seriously, the transfer of Guantanamo prisoners is ill-advised.

The Challenges Ahead

Some analysts posit that there is little Yemen can do to solve its terrorism problem. After all, modern Yemen has proven a difficult country to rule for centuries. The government operates through a primordial federal system, making the best of the bad political hand it was dealt when the country was unified in 1990. While Saleh's government projects authority in most of Yemen's towns and cities, it lacks the resources to effectively control large patches of the countryside. Powerful tribal patriarchs sometimes disregard parameters set by Sanaa, and tribal interests often supersede respect for state law.

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[30] "Yousef Azizi Bani Tarafi, "Interview with Hamas Political Bureau Chief," *Hamshahri* (Iran), December 23, 2000, p.6.
[31] "Yemeni President Meets Security Officials," SABA Yemen News Agency, May 4, 2002.
[32] Arwa al-Anesi, "Hamas Leader Khalid Misha'al Arrives in Sanaa," *Yemen Post*, July 14, 2008, www.yemenpost.net/38/LocalNews/20086.htm
[33] Jane Novak, "Arabian Peninsula Al-Qaeda Groups Merge," *Long War Journal*, January 26, 2009, www.longwarjournal.org/archives/2009/01/arabian_peninsula_al.php
[34] Tom Coghlan, "Freed Guantanamo Inmates are Heading for Yemen to Join al-Qaeda Fight," *The Times* (London), January 5, 2010, www.timesonline.co.uk/tol/news/world/middle_east/article6975971.ece

Still, Yemen is not a country of chaos. Yemeni society has an identifiable rhythm and age-old order. Saleh, for his part, has been in power since 1978. He knows how to rein in tribal elements when they stray too far.

In short, the terrorism problem in Yemen is not insurmountable. However, if the Saleh government continues to allow terrorists to roam free, the problems in Yemen will continue to mount. While not all of the terrorism problems were originally of Yemen's making, most of them now are. It is up to the Yemeni government to fix them.

The current thinking in Washington is that Yemen needs our help. It undoubtedly does. However, upping our aid to Yemen without strict preconditions it is not the answer. The Yemenis must prove they will put our taxpayer funds to good use, rather than squander them, as they have in recent years. The government of Ali Abdullah Saleh must prove first that it is has a plan for fighting terrorism, and relay that plan to officials from relevant U.S. agencies before we commit to these efforts with taxpayer money. Indeed, Yemen should articulate clearly how it intends to reverse the poor policy choices that have brought us to this point today.

There are, of course, those who would argue that Washington has little choice in the matter. We cannot afford to allow Yemen to become a terrorist haven. This is undoubtedly true. Yemen is a critical front among several in the global confrontation against militant Islamist forces.

But we must also remember that U.S. aid is never guaranteed. U.S. allies must earn it by acting like allies. In recent years, Yemen has failed to hold up its end of the deal. It must now go a long way to demonstrate that it is ready to get serious about combating terrorism again.

On behalf of the Foundation for Defense of Democracies, I thank you again for inviting me to testify before this distinguished committee on a critical issue.

Chairman BERMAN. Thank you very much. Mr. Campbell?

STATEMENT OF MR. LESLIE CAMPBELL, SENIOR ASSOCIATE & REGIONAL DIRECTOR FOR THE MIDDLE EAST AND NORTH AFRICA, THE NATIONAL DEMOCRATIC INSTITUTE

Mr. CAMPBELL. Thank you, Mr. Chairman, and members of the committee. On behalf of The National Democratic Institute, or NDI, I also thank you for the opportunity to testify today. I returned from Yemen late last week after talks with government and opposition figures, and exiled leaders from the former South Yemen. NDI has been active in the country for almost 20 years. My task last week was to seek dialogue and compromise among political leaders as a way of addressing the political concerns which are at the heart of the war in the north and the unrest in the south. Unlike the failed states that Yemen is often compared to, the country laid the groundwork for a long-term solution to extremism years ago through democratic and political reforms.

President Saleh's decision to establish basic democratic structures arose from a pragmatic decision after the 1990 reunification of north and south that democracy, or at least elements of democracy, were necessary to govern a quarrelsome, stratified, armed and proudly independent population in a poor, rugged and diverse country. The existence of strong leaders from a variety of political groups and tribes, a history of dialogue and consensus building, vibrant civil society and the existence of nascent, democratic institutions all auger well for a comprehensive solution to the country's current instability. As was mentioned by a previous speaker, Yemen once led the Arabian Peninsula in democratic reform.

Yemen has extended the voting franchise to women, established an independent election commission, held regular, mostly fair, elections, encouraged the formation of nongovernmental organizations and has tolerated, even encouraged, the development of opposition political parties, and it has created elected local government councils. Yemen's Parliament, while still developing, is an important forum for seeking consensus on policies and it does exercise oversight over Executive Branch decisions, although that oversight is limited. In an initiative that has been noted as a potential democratic development model for the Arab world, Yemen's main opposition parties ejected extremists from the ranks and formed the "Joint Meeting Party" coalition of moderate Islamists and former South Yemen socialists in 2003.

Having said that, democratic institutions have atrophied and the Yemen Government's increasing unilateralism is exacerbating the country's challenges. While the democratic institutions that have been built could be a part of a genuinely stable government, the limited democratic reforms have not weathered political crisis of the past several years well. Political debate is becoming polarized, elected local councils lack resources and training and they are hampered by centrally appointed officials who still exercise control. There is increasing suspicion that President Saleh is grooming his son, Colonel Ahmed al-Saleh, who heads the Yemen Republican Guard, to ascend to the presidency when his term expires.

Still, others believe that President Saleh may amend the constitution to extend his term, which should end in 2013. The current

focus on security in Yemen allows the government to skirt responsibility for its own domestic failures. Perversely, some ruling party officials in Yemen seem to welcome the country's infamy believing that development aid, controlled mostly by the ruling party dominated government, and more military assistance will bolster their credibility. The ultimate antidote to Yemen's instability, though, in my opinion, can be found in continuing the political reform started almost 20 years ago. Inclusion and dialogue with the Houthis in the north and the former southern Yemen leaders and modern Islamists, combined with better governance, will largely muzzle and constrain the extremists.

Last week I helped facilitate discussion between the ruling GPC and the opposition coalition, suggesting a formula by which the governing party and the opposition could form a joint dialogue committee to plan an agenda for talks inclusive of all Yemen political factions, including from the south and the Houthi tribal areas. President Saleh agreed to participate in such a dialogue, but full agreement on the process remains illusive. At minimum, the Yemen Government should release political prisoners in the south, estimated at 900 by Human Rights Watch—mostly southerners who have been arrested for planning demonstrations—as a sign of good faith. The opposition coalition should agree to move forward with the national dialogue if those prisoners are released.

The principal of dialogue is valid. There will be no lasting antidote to Yemen's instability without inclusive government and some form of power sharing. Here are some recommendations: The ruling regime cannot solve the problems unilaterally and must work through the existing institutions to help facilitate dialogue; the Government of Yemen should enact policies that devolve district and governorate level fiscal, social and governing authority to local elected councils that already exist to ensure that local development priorities are reflected in national policy; addressing grand corruption must happen and requires a serious commitment to investigate and prosecute corrupt actors at the highest level of government; to build confidence in outcomes from the political process, the Government of Yemen should implement previously agreed upon political and electoral reforms, including agreements with the opposition that have been made previously; for the U.S. Government, development assistance should include democratic reform and governance; as a key pillar, aid packages should include clearly defined, achievable benchmarks for democratic reform against which continuation of aid would be evaluated; and finally, security and stabilization strategies supported by the U.S. Government and implemented by the Government of Yemen should include stipulations to ensure that legitimate, peaceful opposition movements operating within the political framework are not defined as destabilizing political forces and not repressed, as they are currently. Thank you very much, Mr. Chairman.

[The prepared statement of Mr. Campbell follows:]

Statement by Leslie Campbell
Senior Associate and Regional Director for Middle East and North Africa, National Democratic Institute

Before the Committee on Foreign Affairs
"Yemen on the Brink: Implications for U.S. Policy"
U.S. House of Representatives

February 3, 2010

Mr. Chairman and members of the Committee, on behalf of the National Democratic Institute (NDI), I appreciate the opportunity to speak about "Yemen on the Brink" and the challenges to the formulation of U.S. policy and the realization of political reform in Yemen.

Governance is part of Yemen's problem – and part of the solution

Although Yemen sometimes appears to be the odds-on favorite as the world's next failed state and is receiving newfound attention from a variety of think-tanks and news outlets, Yemen as a source of instability on the Arabian Peninsula and haven for terrorists is neither a new phenomenon nor as difficult to address as it might seem.

Unlike the failed states it is often compared to, Yemen laid the groundwork for a long-term solution to extremism years ago through democratic and political reforms instigated by the country's leader, President Ali Abdullah Saleh, and led by a group of well-regarded modernizers within the ruling party, the General People's Congress (GPC).

President Saleh's decision to establish basic democratic structures arose from a pragmatic decision after the 1990 reunification of North and South Yemen that democracy, or at least elements of democracy, were necessary to govern a quarrelsome, stratified, armed and proudly independent population in a poor, rugged and diverse country.

Yemen's political opposition – comprised of the moderate Islamist party *Islah* and the former ruling party in southern Yemen, the Yemeni Socialist Party (YSP) and several smaller parties – have also been active players in Yemen's political development as have tribal leaders, most notably the late Sheikh Abdullah al-Ahmar who played multiple roles as paramount tribal figure, head of Islah and Speaker of the Parliament.

The existence of strong leaders from a variety of political groups, a history of dialogue and consensus building, a vibrant civil society and the existence of nascent democratic institutions all augur well for a comprehensive solution to the country's current instability.

Yemen led the Arabian Peninsula in democratic reform

For years, Yemen led the countries on the Arabian Peninsula, indeed much of the Arab world, in political reform. It extended the voting franchise to women, established an independent election commission, held regular – mostly fair – elections, encouraged the formation of non-governmental organizations, tolerated, even encouraged the development of opposition political parties and created elected local government councils.

A successful 1993 election ushered in a power-sharing government that included secular former Marxists from the south, moderate Islamists, tribal leaders and ruling party technocrats. Although interrupted by a brief civil war in 1994, power sharing, dialogue and democratic progress resumed, leading to a significant period of relative calm and modest economic development that lasted through most of the 1990s.

Yemen even holds presidential elections. The second such contest, held in 2006, saw a credible opposition candidate, Faisal bin Shamlan, garner almost 22 percent of the vote. While the result was contested by the opposition and irregularities were noted, the presidential election provided a genuine opportunity for opposition voices in Yemen.

Yemen's parliament, while still developing, has become an important forum for seeking consensus on policy and exercises important oversight over executive branch decisions. Since 2007 it has passed laws on public tendering, anti-corruption, anti-money laundering and the declaration of assets by public figures. It rejected a government-sponsored access to information law deemed regressive by many international observers and has called ministers and deputies to answer questions over the use of force against protestors in southern Yemen.

In an initiative that has been noted as a potential democratic development model for the Arab world, Yemen's main opposition parties ejected extremists from their ranks and formed the "Joint Meeting Parties" (JMP) coalition of moderate Islamists and former South Yemen socialists in 2003. The JMP has been very vocal over the past months, holding town meeting-style dialogue sessions with the public and proposing alternative policies to the government.

Democratic institutions have atrophied and the Yemen government's increasing unilateralism is exacerbating the country's challenges

While democratic institutions in Yemen must be part of genuinely stable government over the long term, the limited democratic reforms instituted by Saleh have not weathered the political crises of the past years well. The parliament and opposition parties have not been central to addressing the increasing unrest in the south or the war in Sa'ada. Political debate has become increasingly polarized. Elected local councils lack resources and training and are hampered by the centrally appointed officials who still exercise control.

There is an increasing suspicion that President Saleh is grooming his son, Colonel Ahmed Ali Saleh, who currently heads the Yemen Republican Guard, to ascend to the Presidency when Saleh's term expires. Still others suspect that President Saleh may amend the constitution to extend his term which should end with a 2013 Presidential election.

Politics aside, lack of economic development, dwindling oil supplies, persistent tribal conflict, governmental mismanagement and mischief-making by neighbors, have all taken a toll, leaving significant portions of the population alienated and vulnerable to recruitment by extremists.

International discussions on Yemen inevitably emphasize security and development aid to the government. Both are needed, but neither will solve the problem without a continued focus on good governance. In fact, President Saleh has a long record of cooperating with the international community on security – to a point. There have been several instances of successful intelligence sharing but many suspect the Yemen government has played the terrorism card for its own gain.

The focus on security allows the government to skirt responsibility for its own domestic failures. Perversely, some ruling party officials seem to welcome the country's infamy, believing that development aid – controlled mostly by the ruling party dominated government – and more military assistance will bolster their credibility.

While some of the promised aid comes to Yemen with conditions, the international community is hoping to enhance the legitimacy of Yemen's government by increasing their ability to deliver services to citizens. At minimum, donors must ensure that development programs reach all geographic regions and that there is not excessive control of aid by government ministries.

Room for political dialogue and political solutions still exists

More effective and responsive government in Yemen is a laudable goal but, in itself, insufficient to address Yemen's ills. The ultimate antidote to Yemen's instability can be found in continuing the political reforms started almost 20 years ago. Inclusion and dialogue – with the Houthis in the north, the former South Yemen leaders and the moderate Islamists – combined with better governance and decentralization of services, will largely muzzle and constrain the Jihadists.

In February of 2009, after much shuttle diplomacy by NDI, the GPC and opposition JMP agreed to a plan to postpone parliamentary elections, originally slated for April 2009, to give to time to reconstitute the Supreme Council of Elections and Referenda (SCER), produce an accurate voters list and debate the parameters of a new election law. Dubbed the "February Agreement," the initiative was an attempt to encourage full political participation rather than move ahead with a flawed election and risk opposition boycott.

Implementation of the February Agreement was delayed by the growing unrest in the south and war in the north, but the opposition persisted in its attempts to influence the

evolution of Yemen's political system by producing a "National Rescue Vision" – a new political platform informed by dozens of community meetings and consultations with party members.

Encouraged by the JMP's persistence and their desire to remain part of Yemen's formal political system, NDI again facilitated discussion between the GPC and JMP in January, 2010, suggesting a formula by which the governing party and opposition could form a joint "dialogue committee" to plan an agenda for talks inclusive of all Yemen political factions – including the south and the Houthi tribal areas.

Although President Saleh has agreed that the GPC should participate in a joint dialogue, full agreement on the process remains elusive. The principle of dialogue is still valid – there will be no lasting antidote to Yemen's instability without inclusive government and some form of power sharing.

Power sharing could take many forms: new elections to parliament under conditions agreed to by the opposition; including political rivals and senior tribal leaders in the cabinet; decentralization of power accompanied by training and financial resources to elected local councils; and/or formal talks with the former leaders of South Yemen. All forms of power sharing will cut off some of the terrorist's oxygen by marginalizing the violent rejectionists who thrive by nurturing and encouraging grievances.

Of course, better governance and power sharing won't solve the basic ills in Yemen which revolve around poverty and dwindling resources. Economic development, especially if combined with a program to involve the parliament and elected local councils in priority setting, will further erode support for extremists. Finally, high level corruption must be addressed if Yemen's citizens are to have what they desire – legitimate, effective government.

Recommendations:

For the Republic of Yemen Government (ROYG):

- The ruling regime cannot unilaterally resolve Yemen's current political and social conflicts. It must work through existing political and governing institutions to pursue an inclusive approach to resolving the political and economic issues that contribute to instability.

- The government previously committed to a comprehensive process of decentralization, but after a decade has not delivered on promised reforms. The ROYG must enact policies that devolve district and governorate level fiscal, social and governing authority to locally elected councils and ensure local development priorities are reflected in national public and fiscal policy.

- While strides have been made to mitigate petty corruption, addressing grand corruption will require a serious commitment by the ROYG to investigating and prosecuting corrupt actors at the highest levels of government. Without such efforts, any international

assistance, foreign direct investment or development initiatives will fail to relieve Yemen's economic crisis.

- To build confidence that outcomes from participation in Yemen's democratic political process reflect the people's will, the ROYG should implement previously agreed upon political and electoral reforms including the February 2009 agreement and the realization of a joint dialogue committee.

For the U.S. government (USG):

- Stability and security strategies, and corresponding development assistance should include democratic reform and governance as a key pillar. Conflicts unrelated to Al Qaeda almost universally have roots in exclusionary, sometimes anti-democratic practices including lack of local control and authority, inequitable public service delivery, corruption, and lack of access to formal governing institutions.

- Aid packages should include clearly defined, achievable benchmarks for democratic reform against which continuation of aid would be evaluated. In the near term, these would include ROYG fulfilling obligations under negotiated agreements, which include political and electoral reform.

- Security and stabilization strategies supported by the USG and implemented by ROYG should include stipulations to ensure that legitimate, peaceful opposition movements, which operate within the existing political and governing frameworks, are not defined as destabilizing political forces and are not repressed.

- ROYG should be held accountable for transparent resource allocation and aid packages should include allowances for verifiable, independent audits.

Chairman BERMAN. Finally, Bruce Riedel.

STATEMENT OF MR. BRUCE RIEDEL, SENIOR FELLOW, SABAN CENTER FOR MIDDLE EAST POLICY, THE BROOKINGS INSTITUTION

Mr. RIEDEL. Thank you, Mr. Chairman, thank you to the other members of the committee. I thank you for taking my written testimony into the record, and thank you, Mr. Chairman, for the shout out to my dad. He will deeply appreciate it. You already heard how complex, difficult, and indeed, dire the situation is in Yemen. Much of what I have been listening to in the last few minutes I completely agree with. What I would like to do very briefly is cover three points: Our enemy, our partner and our allies. Osama bin Laden has had his eye on Yemen as a redoubt for al-Qaeda since at least 1989. It is the historic home of his family. He is very familiar with it. He knows the situation there.

In the last several years he has made a concerted effort to try to revive al-Qaeda in the Arabian Peninsula and he was behind the decision to merge al-Qaeda in Saudi Arabia and al-Qaeda in Yemen 1 year ago. It has turned out to be a force multiplier for both. Al-Qaeda's goals in Yemen, I think, are twofold at least. First, they seek Yemen to become a base to threaten not just the Yemeni Government, but more importantly, Saudi Arabia, the other Gulf States, and now to strike globally. It was no accident that the first attack by the new al-Qaeda in the Arabia peninsula of significance was the attack on Prince Mohammed bin Nayef. He had successfully led the repression of al-Qaeda in Saudi Arabia, and they sought to eliminate him.

Al-Qaeda in the Arabian Peninsula also operates within a network of traditional jihadist and other extremist religious elements. I wouldn't focus so much on the numbers. I think those numbers don't really tell you very much. I would focus on the jihadist networks, not all of which are violent, but many of which are fellow travelers with al-Qaeda and its world view. The most dangerous element today is of course the recruitment of foreigners and Americans to operate against the United States. Secondly, al-Qaeda wants to use Yemen to expand the global battle space against America, that is, to stretch our resources even further, if possible, to bog the United States down in local conflicts in Yemen which can become quagmires, and, through all of this, relieve some of the pressure that the al-Qaeda core in Pakistan and Afghanistan is underway today.

The al-Qaeda core continues to regard Pakistan as its number one priority, but there it is facing increasing pressure from American efforts. The best case for al-Qaeda would be to entice, to goad, to lure the United States into another bleeding war in Yemen as part of its grand strategy to wear down the United States through bleeding wars throughout the region. Al-Qaeda's grand strategy is, in short, to do to the United States in the 21st Century what they believe the Mujahedin did to the Soviet Union in the 20th Century. They would welcome large American deployments of combat troops on the ground. The United States clearly needs to be aware of this trap. I think so far the Obama administration, and the American military and CENTCOM has been well aware that there is no

made in the USA solution to this problem, and that as difficult and complex as our partner is, Yemenis have to in the end be the ones who provide law, governance and order in their own country.

Consequently, we need to work with the Yemeni Government. You have heard already how flawed it is. Successive American administrations have found dealing with Ali Abdullah Saleh very, very difficult to do. He has his own agenda, he has a record of inconsistency. His sympathy for America is limited, to put it mildly, but he is the leader who is there. I am glad to hear that he seems to be more focused on al-Qaeda from the administration. That is a step in the right direction. But he continues to be much more concerned about two of his more local problems, the Houthi Zaidi rebellion in the north, which has been an on and off problem for most of the last decade which has now dragged the Saudis into the war as well, and secessionism in the south.

Let me say one word about the problem in the north. That deals with the question that you raised of Iranian involvement. Iranian involvement in this conflict is certainly a plausible scenario, but so far, the evidence of Iranian involvement is simply not there. We at the Saban center have looked very hard at the evidence that we can find, and so far, it doesn't add up to anything significant. That doesn't mean there isn't something there we don't know about, but we can't find it, and we would welcome more information from the Yemenis and the Saudis on it. More importantly, though, seeing the Houthi rebellion as an Iranian machination is also a trap, a trap to draw us into a local conflict which is not relevant to America's national security interests.

We need to be careful not to be drawn into these local conflicts, and here, the administration's efforts to encourage dialogue, to encourage a return to ceasefires, are steps in the right direction. Second, of course Saleh is even more worried about southern secessionism. Yemen today is really a country created by a shotgun marriage in 1990, reinforced by a civil war in 1994. Al-Qaeda in the Arabian Peninsula seeks to appeal to southern secessionism, seeks to use that as a way to increase its strength and its importance. Here again, we need to be careful not to be drawn into these local conflicts. A word about our allies. This is very much not just an American problem.

Yemen sits athwart one of the most important strategic choke points of the global economy, the Bab al-Mandeb. I had the opportunity just 2 months ago to sail through there. There is a very impressive international effort to prevent piracy in those waters today, but it is entirely defensive. We have no offensive effort to stabilize the northern and southern shores. Many, many countries around the world have an interest in stabilizing this: China, India, the United States, Europe and others. Our challenge has to be to motivate all of them to work together on this. In particular, the Saudis, the UAE, Qatar and Oman have to be motivated and pushed to take real steps, not just pledges of support, but real steps to help stabilize Yemen.

They need to open up their job markets to Yemenis. There will never be enough jobs for Yemenis in Yemen, but there are jobs in Saudi Arabia and the Gulf States. They need to deliver on their aid promises, they need to deliver on their promises to rebuild the Port

of Aden in order to make it a thriving capital once again on the Indian Ocean. The administration has made a strong start in London in this direction, but one thing we have learned over the last 30 years of United States/Yemeni relations is we have got to have constancy and consistency in our policy, and we have got to keep our eye on the ball. It is too easy to lose interest in Yemen because, after all, it is a remote place on the far side of the world, but as events of the last few months have demonstrated, this is an important country to American national interests. Thank you very much, and I look forward to your questions.

[The prepared statement of Mr. Riedel follows:]

Bruce Riedel
Senior Fellow, Saban Center for Middle East Policy, Brookings Institution
Testimony before the House Committee on Foreign Affairs

Hearing on:
Yemen on the Brink: Implications for U.S. Policy
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Yemen, al Qaeda and America's Challenge

Thank you, Mr. Chairman, for inviting me to speak today to the Committee on Foreign Affairs. I am a Senior Fellow at the Saban Center for Middle East Policy in the Brookings Institution. I have traveled extensively in Yemen and the Arabian Peninsula for the last thirty years before and after retiring from the CIA to join Brookings, even sailing around it last year. My family actually has long experience with Yemen, my father served there with the United Nations during the last days of the British colony in Aden. Today I would like to place Yemen's numerous security problems in perspective, highlighting those that threaten American interests and offer some thoughts on how the United States should try to help Yemen resolve them.

Of course America's interest in Yemen flows from the presence of al Qaeda in the country. Usama bin Laden has taken direct responsibility for the attempt to blow up an American airliner last year orchestrated from Yemen and has promised more such attacks until the United States ends its support for Israel. Since the failed al Qaeda attack on NW 253 on Christmas day the Obama administration has made defeating al Qaeda's franchise in Yemen, al Qaeda in the Arabian Peninsula (AQAP), a top priority. In fact the administration had been focusing more attention and resources on Yemen and AQAP since taking office but that effort was largely under the radar screen. Now it is rightly a front burner. But it will be a very difficult mission to accomplish because Yemen has always been one of the world's least governed spaces, is deeply divided on complex and confusing sectarian and regional grounds, is armed to the teeth and its ruling government is a weak partner in the fight. To make matters worse, several decades of bad US-Yemeni relations have soured most Yemenis on America and made many sympathetic to al Qaeda.

Al Qaeda's Yemen Roots

Al Qaeda has long been active in Yemen, the original home land of Usama bin Laden's family. The Laden family comes from the extreme south east of Yemen, the remote province called the Hadhramaut which is today an al Qaeda stronghold. Bin Laden offered to lead a tribal rebellion against the former communist government in south Yemen in 1989, an offer turned down by his Saudi government hosts at the time. One of al Qaeda's first major terror attacks was conducted in Aden in 2000 when an al Qaeda cell nearly sank the USS Cole. Bin Laden married a Yemeni woman just before the 911 attacks to further solidify his tribal ties to the country.

A year ago – in January 2009 --the al Qaeda franchises in Saudi Arabia and Yemen merged after the Saudi branch had been effectively repressed by the Saudi authorities under the leadership of Deputy Interior Minister Prince Muhammad bin Nayif. The new AQAP showed its claws when it almost assassinated the Prince last August with a suicide bomber who had passed through at least two airports on the way to his attempt on Nayif.

The same bomb makers who produced that devise probably made the bomb that Omar al Farooq Abdulmutallab used on flight 253. In claiming credit for the Detroit attack AQAP highlighted how they had built a bomb that "all the advanced, new machines and technologies and the security boundaries of the world's airports" had failed to detect. They praised their "mujahedin brothers in the manufacturing sector" for building such a "highly advanced device" and promised more such attacks will follow.

AQAP has also provided refugee for the Yemeni American cleric Shaykh Anwar al-Awlaki who was in contact with US Army Major Nidal Hassan who killed 13 soldiers at Fort Hood in Texas on November 5, 2009. In an interview with al Jazira released on December 23rd, Awlaki said he had encouraged Nidal to kill his fellow soldiers because they were preparing to go to Afghanistan and were part of the Zionist-Crusader alliance that al Qaeda says it is fighting. In claiming credit for the Christmas day airline attack AQAP also lauded the Fort Hood massacre and urged other American Muslims to emulate Nidal Hassan.

The global jihad has long attracted many Yemenis. They flocked to Afghanistan in the 1980s, Bosnia in the 90s and Iraq in this decade. A few have even shown up in Gaza in the last year to fight Israel.

Yemen's Many Troubles

Yemen has always been a somewhat lawless land. Nominally part of the Ottoman Empire from the 1530s it gained independence at the end of the First World War when the Ottoman Turks collapsed. In fact it was virtually autonomous from Istanbul during most of three centuries. After 1918 the northern part of the country was ruled by an almost medieval regime dominated by the minority Zaydi Shia (about 45% of the population), a uniquely Yemeni Shia movement that is independent of the larger, mainstream Shia sect that runs Iran. It lost a border war with Saudi Arabia in the 1920s that has left Yemenis angry towards Riyadh ever since.

In 1962 Egyptian backed Arab nationalists overthrew the Zaydi Imam in a coup. A Zaydi guerilla army backed by the Saudis, Jordan and even Israel fought back. Egypt sent 70,000 soldiers to try to buck up the nationalists. Despite Cairo's use of chemical weapons and carpet bombing, it was unable to defeat the Zaydis, and the Egyptians departed in humiliation after the 1967 war with Israel made keeping the expeditionary force in Yemen too costly. The fight between the nationalists and the Zaydis continued, with the Zaydis ultimately failing to take the capital Sana from the nationalists after a long siege. A series of military dictators have ruled since.

Some of the Zaydi tribes in the north have rebelled against the central government again under the leadership of the Houthi tribe. The rebellion is the most serious immediate threat to the nation's stability and more than half of the Yemeni army is deployed to fight the Houthis. The war has now spread across the border into Saudi Arabia. Last fall the tribes turned on their old Saudi allies and attacked across the border into the Kingdom. The Saudi Deputy Defense Minister has said the war has cost over 130 Saudi soldiers their lives.

Riyadh has accused Iran of backing the rebellious Zaydis but has offered little proof. The Saudis also claim al Qaeda is helping the rebels. Some serious analysts have suggested that Iran and al Qaeda are both backing the rebellion. Hard evidence for these claims has yet to surface but they are not implausible. Indeed, as both Iran and al Qaeda seek to weaken the influence of the United States and Saudi Arabia in the region, the Houthi rebellion may become an increasingly attractive means to do so. We should be awake to this threat.

The southern part of Yemen became a British colony in the 1830s. Actually the British only wanted the port of Aden as a transit stop on the sail to India and the Raj. They barely ruled the interior, leaving it in the hands of tribal shaykhs. The British were ousted by a Moscow backed communist guerilla war in 1968. When the Soviet Union collapsed in 1990 the abandoned and broke communist south had no choice but to merge with the north. The hero of unification was President Ali Abdallah Salih who survived a Saudi backed southern rebellion in 1994 and has now been in office 31 years.

The south still seeks to break away. Aden is a hotbed of secessionism. This secessionist movement is still in its infancy but is a dangerous threat to the stability of the country and its territorial integrity. Al Qaeda has supported the secessionist movement since most of its strongholds are in the south and it wants to widen its appeal by appealing to the south's desire for separation from Sana.

Yemenis are desperately poor, half illiterate and very young but armed to the teeth. Every male always carries a large dagger with him and usually an automatic weapon. Many are addicted to the local narcotic, the qat leaves grown in the country. Growing qat is so lucrative that about 40% of the nation's dwindling water supply is devoted to its cultivation. Almost half of Yemeni children under five are chronically malnourished.

The Saleh government has ruled by divide and accommodate. Saleh is himself a Zaydi Shia but also a firm Arab nationalist. He is not from the family of the former ruling family deposed in the 1960s and is therefore seen by some as illegitimate. He backed Saddam Hussein and Iraq in the first gulf war in 1990. In response the Saudis expelled a million Yemeni expatriate workers from the Kingdom and backed the anti-Saleh southern insurrection in 1994, even supplying it with modern aircraft. He allows parliamentary elections and was opposed in his last bid for reelection, but the regime is in fact a police state, just a weak one. He is now trying to ensure his son Ahmed, head of

the Republican Guard, succeeds him to the Presidency, a move that is provoking dissent as well.

The regime's battle against al Qaeda illustrates its weaknesses. Again and again al Qaeda operatives have been captured by the government only to escape from prison. The current head of AQAP, Nasir al-Wahishi, broke out of the nation's number one prison in Sana in 2006 along with twenty other terrorists. Other prison breaks have occurred in Aden. Many of these escapes look like inside jobs. Wahishi's number two, Said al-Shihri, is a Saudi released by the Bush administration from Guantanamo to the Kingdom. AQAP's strongholds are mostly in the south in the remote Sunni tribal provinces that the British, communists and Saleh have never really governed and where Usama bin Laden's family comes from.

Enter the Americans what to do now?

US-Yemeni relations have never really recovered from the 1990 gulf war differences. All aid was cut off in 1991 and only slowly resumed. After al Qaeda blew up the USS Cole in Aden harbor in 2000 the investigation of the attack only further embittered both sides as each claimed the other was holding back key information. The Bush and Obama administrations have rightly refused to send Yemeni detainees back from Guantanamo given the history of prison breaks in the last decade. Yemenis rightly believe we treat them like a poor cousin of their traditional Saudi enemy.

But there is no made in America answer to AQAP. Drones can kill key operatives if we have good intelligence on where they are but that primarily comes from the Yemenis. Controlling lawless spaces where al Qaeda thrives must be a primarily Yemeni mission. We can and should help with military and economic assistance but the Yemenis have to buy into the job. Putting American ground forces into Yemen would actually play into al Qaeda's hands – bin Laden would welcome another "bleeding war" to add to Iraq and Afghanistan.

Despite years of bad relations between Riyadh and Sana we also need the Saudis and the Gulf Arabs to help provide the economic aid and jobs that are the only long term solution to salvaging the anemic economy. Opening the gulf job market to Yemenis would do a great deal to help stabilize the economy. Thankfully the Saudis and others seem to be recognizing a failed Yemen will destabilize the entire Arabian Peninsula. Riyadh, despite its baggage with Saleh and Sana, must be our key partner in Yemen.

The Obama administration has offered Saleh additional military assistance and has encouraged the government to strike hard at al Qaeda hideouts in the last few weeks. The attacks have killed some AQAP leaders but it is unclear exactly how serious a blow these have inflicted on the group. AQAP has vowed revenge for the strikes which it blames on an alliance of America, Saudi Arabia, Egypt and the Saleh government. This promises to be a long and difficult fight.

The United States should avoid being drawn into Yemen's internal conflicts. We should encourage a peaceful resolution of the Zaydi Houthi rebellion and support efforts by third parties, like Qatar, to find a political solution. We do not want to have our aid diverted from fighting al Qaeda. This will require a delicate line with both Sana and Riyadh but President Saleh has more than once said he was a negotiated agreement with the rebels. The recent announcement by the rebels of a unilateral cease fire with the Saudis and a withdrawal from Saudi territory may be an opening toward conflict resolution which we should support.

Similarly we should encourage economic development in the south in part to undermine secessionism. In this regard the long neglected port of Aden is an opportunity. We should encourage a multinational effort to rebuild this once great port in its strategic location near the Bab al Mandeb, one of the energy choke points of the world. The United States should partner with other countries that have an interest in this and can help fund such a project including the Saudis and Gulf States, China, India, Japan and the EU.

Finally we also need to keep in mind that AQAP still takes its strategic guidance and direction from the al Qaeda core leadership in Pakistan and Afghanistan. The merger between the Yemeni and Saudi factions of AQ that created AQAP last January was directed by Usama bin Laden. He has now implied that he directed the Christmas day attack. How much his hand actually is directly involved now in Yemen is frankly an unknown but he remains the virtual leader of the global jihad. Yemen is a vital battlefield in the war against al Qaeda but the epicenter is still in Pakistan.

Chairman BERMAN. Thank all of you. I am going to recognize on the majority side, Mr. Costa first, and then Ms. Woolsey, and then on the minority side go in seniority order, so I now yield 5 minutes to the gentleman from California, Mr. Costa.

Mr. COSTA. Thank you very much, Mr. Chairman, for this important hearing today. Before I get to my questions to the witnesses let me, as it was discussed in the previous panel for the record and I would like to submit it, indicate that notwithstanding the fact that Guantanamo is an emotional issue and has been, both during this administration and the previous administration, there is bipartisan support for closing it.

Robert Gates, Secretary of Defense in both administrations, said that Guantanamo itself is a condemnation and it will be an advertisement for al-Qaeda as long as it is open; Admiral Mullen has said Guantanamo has been a recruiting symbol for extremists and jihadists who would fight us; General David Petraeus, serving in both administrations, again, I oversee a region in which the existence of GITMO has indeed been used by the enemy against us; Admiral Dennis Blair, Guantanamo is a rallying cry for terrorist recruitment and harmful to our national security; and finally, General Colin Powell, who clearly served in the previous administration, said Guantanamo has become a major, major problem for America's perception as it is seen and the way the world perceives America, if it was up to me, I would close Guantanamo not tomorrow, but this afternoon.

Clearly, this is an issue that, notwithstanding its passion and emotion, there is overwhelming bipartisan support for closing that

facility. To Yemen. Your recurring themes as it relates to the challenges with governance, the problems with the economy and our partners as we try to get it right or recalibrate a prescription to get this current governance, the President, on the right track is troubling for me. You said, I guess I understood in all the witnesses who testified just now, that there was a good start, I guess, in London last week. Is that correct? Am I getting a head nodding there? Maybe? Maybe not? How do we keep the commitment, Mr. Riedel, with your long history on the point that you closed on with Saudi Arabia, with the other Gulf States, to actually make good on their commitments and to ensure that we, as a partner, and the Europeans are serious about follow through?

Mr. RIEDEL. It is deeply ironic for the Saudis now to be supporting the Saleh government since they spent much of a decade trying to overthrow it, but they seem to have finally come around to the notion that he is the only game in town and that he is better than the alternatives. Whether they are willing to put money behind that, open up job opportunities, as I said, is the question that remains in front of us. I think the administration has to appeal to the king at the highest level, President Obama to King Abdullah, to recognize this is now a very serious threat, not just to us, but to Saudi Arabia. After all, it was Prince Mohammed bin Nayef who was almost killed by this group. I think the Saudis can be brought around. I think they recognize. I think that attack last August was a wake up call for them as well.

Mr. COSTA. You think their active participation in effect will bring the other Gulf States in a serious effort to provide financial support and resources?

Mr. RIEDEL. It is tricky because there is a lot of rivalry between the Gulf States there.

Mr. COSTA. I understand.

Mr. RIEDEL. The Qataris like to promote reconciliation between the government and local rebels. The Saudis prefer to go after the local rebels. I think we have to provide the leadership, frankly. I think we are going to have to be the ones to corral them.

Mr. COSTA. We are going to have to provide the glue that keeps this thing stuck together and stay with it. Mr. Campbell, you talked about your efforts last week or in 2 weeks with the various party factions within Yemen. Is there really a desire to make these weak institutions work?

Mr. CAMPBELL. I think there is desire. As I have mentioned also, the institution——

Mr. COSTA. Or is it just a competition for power and who runs the country?

Mr. CAMPBELL. There is some competition. The paramount tribal leader in Yemen, Sheik Abdullah al-Akmar, died last year and his sons are attempting to move up the chain. They are attempting to challenge President Saleh's son. So some of this is local politics and jockeying among people seeking power, but some, I think, is genuine.

Mr. COSTA. My time is almost up. To the other two, and I don't know if you care to comment on it, but the water issue I will get to. That is an issue that I am heavily involved in in California.

With the issue of the drug problem, the qat, how significant is that a scourge within the population?

Chairman BERMAN. Unfortunately, the gentleman's time has expired, but perhaps we can get back to that. I recognize the ranking member, Ms. Ros-Lehtinen, for 5 minutes.

Ms. ROS-LEHTINEN. Thank you so much. I do have some questions but knowing that we may be called to a vote at any moment, well, I am alone so I will ask it, Mr. Schanzer, can you expand on your testimony regarding Yemen's ties to Hamas? What changes should we require from Yemen regarding its ties to this extremist group and other violent extremist groups, as well as their state sponsors? Also, in your testimony you state that of the 74 Guantanamo Bay prisoners who returned to jihadism, at least a dozen have rejoined al-Qaeda to fight in Yemen. An alarming statistic. When you say as long as Yemen fails to take counterterrorism seriously, the transfer of Guantanamo prisoners is ill-advised, do you recommend no transfers to Yemen or to anywhere? Thank you, sir.

Mr. SCHANZER. Ranking Member Ros-Lehtinen, I thank you very much for the question. With regard to Hamas, I would posit that the Yemeni Government does not view Hamas as a terrorist organization, but rather views it as a resistance organization. It has really been supporting Hamas, whether through training, through weapons, through financing from almost its inception from the late 1980s. That aid has been stepped up since the year 2000, since the intifada broke out in 2000, where there have been several high level delegations from Hamas that have come to Yemen. The President himself has welcomed them and has rolled out the red carpet for them. They have gone around and met with various political officials within Yemen.

So there is a lot of concern there, and it really underscores the question as to whether we can rely on Yemen to fight some terrorist elements and then ignore others. I think we need to be asking for consistency as we move forward.

As for Guantanamo Bay, I would say that the figures that you cite from my testimony are, in fact, very alarming. That it is a very high percentage of recidivism. It is my recommendation right now that no prisoner be allowed to return to Yemen at this point until they are able to first get a handle on their prison break situation, and also perhaps articulate their policy of who gets let out of jail and why. And then, more broadly, just why is it that such a high percentage of these fighters are returning back to the field?

Ms. ROS-LEHTINEN. Thank you so much. Just one note. A member had brought out the bipartisan support for the GITMO closure. I wanted to point out that the House passed the Lewis of California amendment that said no funds should be used to bring Guantanamo detainees to the United States without a Presidential certification. That passed June 2009. It was a motion to recommit that was on the floor preventing an Executive Order from taking effect, and it failed by only one vote. So I think there is a different interpretation of bipartisan support. I will yield back the balance of my time, Mr. Chairman, so some members can ask. Thank you.

Chairman BERMAN. I thank the ranking member. We have been called for votes so we have about 8, 10 minutes here, and then I

think we are going to have to end this. The gentlelady from California, Ms. Woolsey.

Ms. WOOLSEY. Thank you, Mr. Chairman. Here is a general question to any of you that would like to take a stab at it. What have we, or have we, learned lessons from our involvement in Iraq and Afghanistan, lessons that can be used regarding Yemen before we find ourselves sending troops and taking a position that may not fit with the rest of the world? Can we do something besides military involvement in Yemen early on by adopting a smarter security platform, like increasing development aid, debt relief? Do we have enough smart ways to try to offset what could happen? Because this is the world's, well, isn't it one of the world's poorest countries, if not, the? Can we support civil society programs, support women? How are women treated in Yemen? Don't start with that, start with my original earlier question. We will talk about women if we have time.

Mr. SCHANZER. I am happy to just address one or two points on that. In terms of what we have learned from Iraq, I think that the recent success, or relative success let us say, of the surge underscores the point that we really do need cooperation on the ground from various tribes and political leaders. I believe that it is something that we don't have at this point from Yemen. There needs to be a coalition of tribal leaders and elders who are willing to work with the United States, and Yemeni forces for that matter, to truly get to the heart of this terrorist problem.

As for the nonmilitary solutions, we haven't heard much about this, but the Yemeni regime is an authoritarian one, and there is a lot of discomfort with that on the ground in Yemen. The fact that you have a President who has been in power since 1978 and is now grooming his son to succeed him should not be lost in this committee. We need to start to see democratization take place in Yemen, and I think as that starts to happen, hopefully we will see a drop in militancy as well.

Mr. RIEDEL. If I can address your question as well, I think there are actually many good news stories in Yemen. One of them is that, as Assistant Secretary Feltman said, there are 7,000 civil society organizations in the country, many of them very, very active, very able to do the work. They are service delivery organizations, women's organizations, handicapped organizations, advocacy organizations. There are elected local councils, and I think with devolution of power, with decentralization, they can better address local concerns. I should also mention that tribal leaders in Yemen already have reached out to U.S. nongovernment organizations, like NDI, but also to the U.S. Government asking for help in terms of conciliation, getting service to their areas.

They are not hostile in most cases, actually, to the U.S., and so you have an infrastructure to build dialogue with the tribes that does not require military assistance. On the question of women, Yemen is a very conservative country, it resembles the Gulf countries that way, but women vote. They have been elected both to local councils, hundreds and hundreds of them to the national Parliament. They are registered to vote in large numbers and quite assertive. A number of women have been cabinet ministers, ambassadors and so on. I don't want to gloss it over too much because

there are many challenges, but Yemen has an underlying basis that makes it much more than just a poor, conservative country. It has much more potential.

Mr. RIEDEL. If I could add a point. I think a lesson we have learned in Iraq and Afghanistan is our al-Qaeda enemy is very agile, very adaptive, they have a very strong learning curve, and we have to be just as agile and adaptive. We need to not be dragged into local conflicts which we become bogged down in, which become very, very costly for us. That means that the counterterrorism only or the military only approach is not the approach that is going to work. The kind of approach that you suggested of trying to build governance, reaching out, bringing in allies, getting others to be part of this is absolutely crucial. Going it alone, relying purely on troops on the ground is a strategy that doesn't work.

Mr. BOUCEK. I would just add briefly that looking at nonmilitary solutions, there are things that we can do. Something that would be very helpful would be to help Yemen draft and implement effective counterterrorism legislation so that they could charge the people we would like charged, help train judges and lawyers to convict the people we would like to see convicted, help professionalize the police service so this cuts down on abuse, professionalize the prison service, so they stay in prison once they are incarcerated. I think there are things that we can do that are low cost and high impact in that way.

Ms. WOOLSEY. I have 1 second so this is just a general question. Is it possible if the government is a dictatorship and doesn't want to help us?

Chairman BERMAN. I think we will leave that question in the either. Gentleman from Indiana, Mr. Burton, is recognized.

Mr. BURTON. I will be quick because I know we have votes on. Let me just ask this question. First of all, I want to make a statement, and that is there is an organization called SERE, the Survival, Evasion, Rescue and Escape Training Program, and it has been used by all pilot Special Forces for generations, including the Navy SEALs. In that training program they use waterboarding. These are our troops that they train and they have been doing it for 30 years. So when they talk about waterboarding being torture, I think for the edification of my colleagues, they ought to take a good look at the training that our troops are going through, or have been going through, for at least 30 years. Now let me just ask this question. Yemen, Mr.—how do I pronounce your name?

Mr. SCHANZER. Schanzer.

Mr. BURTON. Schanzer. There have been two escapes from the prisons that you were talking about a while ago, and you also said that it is very rare that this takes place. Is the administration there in Yemen, in your opinion, complicit with somebody, maybe an al-Qaeda or other organizations, in allowing these people to escape? Would it be because of sympathetic views or because of financial reasons, if they are complicit?

Mr. SCHANZER. Well, if you are asking, sir, if at the highest levels of government, if they are cooperating with al-Qaeda, I would say that the answer is no. I believe there have been more than two prison breaks. These are the two major ones, but there have been others as well. And these seem to underscore that the security ap-

paratus has been infiltrated by jihadists, by al-Qaeda. So at the mid-level we are seeing some of that infiltration and cooperation and that largely stems, at least as I understand it, from tribal affiliations, and perhaps financial considerations as well.

Mr. BURTON. Well, how can the legal apparatus function there if you have got people who are in opposition to the positions the government is taking in incarcerating these people, how can that system even work? I mean, it seems to me that it is just wide open, and how can the United States work with a government like that that can't control the prison?

Mr. SCHANZER. Well, Representative Burton, this is exactly the point of my testimony. It is my assertion that Yemen has really failed to demonstrate how it is willing to accept the training and aid that we plan to give it in order to step up its counterterrorism efforts. We need to see, I think, very distinct milestones set by the Yemeni Government and an understanding of where they have been lacking to date, and how they plan to really take things in a new direction. In my estimation, they have really failed over the last decade.

Since the USS *Cole* bombing they have learned very little. In fact, I would say they have actually gone backwards. So the question is, as we begin to engage with Yemen, I know we have been hearing lots of warm and wonderful things from the administration, but I would say that even if they have articulated a renewed interest, what we have seen is a record over the last 10 years of going backwards. This is of great concern to me and to the Foundation for Defense of Democracies.

Mr. BURTON. Well, the only other thing I was going to ask is you have made some comments about the Yemeni Government and how we should deal with them. It escapes me how we can work with them and give them all the money, the financial assistance we are giving them, and you say that they are going to have to solve the problems themselves because we can't start a third front in the world war against terrorism. If all these things are going on, how are we going to do that?

Mr. RIEDEL. Consistency and constancy in our engagement, and having our eyes wide open about our partner. We have no delusions about Ali Abdullah Saleh and the people around him, but taking this problem over as an American problem is not the solution either. We don't have the resources to take it over as an American——

Mr. BURTON. Well, the only thing I will say, and I will end with this, it seems to me that if they are going to Yemen away from Pakistan and Afghanistan because of the heat that has been put on them there and we can't really do whatever is necessary to defeat them, we are going to give them sanctuary in a place and it is going to cause us more problems down the road. Thank you, Mr. Chairman.

Mr. RIEDEL. I think, Mr. Congressman, we are putting heat on them now, and there are real results from some of these military actions by the Yemenis assisted by the United States. My suggestion is let us not take our eye off the ball 6 months from now when we think we have got the problem in a redactive mode. We have got to stay at this for a long time to come.

Mr. BURTON. Thank you. Thank you, Mr. Chairman.

Chairman BERMAN. I am going to yield myself to ask a couple of questions and hopefully then get Mr. Scott into this. Schanzer says strict conditionality on our aid, Riedel says no boots on the ground. Riedel, what do you think of Schanzer's position on aid? Schanzer, what do you think of Riedel's position on boots on the ground?

Mr. RIEDEL. If I could, Mr. Chairman, let me be clear. There may be places for Special Forces, there may be places for particular kinetic action. I am not ruling out any kind of military role, but not a large-scale Iraq or Afghanistan kind of operation.

Chairman BERMAN. I understood that you were focused on that.

Mr. RIEDEL. Okay. Conditionality is always a good idea. It is always very difficult when you are trying to entice the partner to work with you and how you go about that conditionality. Our experience with Yemen over 30 years, though, argues for a fair amount of conditionality.

Mr. SCHANZER. Mr. Chairman, I would actually say that I agree very much with what Mr. Riedel says. I think the idea of putting troops on the ground in significant numbers is ill-advised. The idea of Special Forces working with the Yemenis is acceptable. I like the idea of continued predator drone attacks, hellfire missiles. Why that has stopped in recent years, I do not know. As I understand it, the Yemenis are uncomfortable projecting the fact that they are working with the United States. This is something that they don't want their population to be aware of. I would love to see that cooperation continue, and continued, you know, joint cooperation on other CT efforts as well.

Chairman BERMAN. And then my final question. Your comment about Yemen and Hamas, you talk about a conservative regime. Is it conservative in the sense of Islamic fundamentalists, in the sense of Muslim brotherhood? Is that the appeal or is it more of a tactical kind of decision about who to ally with?

Mr. SCHANZER. Mr. Chairman, Yemen is a very complicated country, to be sure. The government has to appeal to various tribal elements, various political factions. The Islah Party, which is the Muslim Brotherhood offshoot, is a popular one in Yemen. I think that it was a tactical decision on the part of the President to figure out a way to support one jihadist movement. You have to remember, of course, that the Arab-Israeli conflict, or let us say resistance against Israel, as they call it, is really the lowest common denominator in the Arab world. This does not excuse, in my opinion, what the President has done. But he has decided that this is the one thing that he can squarely get behind, and I think that this really demonstrates a great deal of inconsistency on the part of the Yemeni Government.

Chairman BERMAN. Mr. Scott?

Mr. SCOTT. Yes. Thank you very much, Mr. Chairman.

Chairman BERMAN. Consistent with us making our vote.

Mr. SCOTT. Absolutely. Do want to make this point, though, as I mentioned before, having just come from over there. Two points. One is there is a great sense of urgency that I think we may have even a greater sense of urgency. We have an immediate problem. Yemen is ground zero for the national security of our nation on the war on terror. It is not coming from Pakistan, I think, because we

have the troop manifestation up there, but if you look at the past, the USS *Cole*, if you look at Fort Hood situation, if you look at the assassination situation, the Christmas Day underwear bomber, all come out of a situation in Yemen. There is a reason for that. Now, what I think is we have to have a dual track. We are sort of in a, not only in a box, but we are sort of in a straight jacket of a box we have got to get out of. I think, after going there and talking with our special operations people and our Navy SEALs, I think that needs to be the approach. We have got to find a way to cripple the operation of al-Qaeda in Yemen immediately to give the people in the United States some breathing room and to give us some help on our war on terror here. That is where the attacks are coming from, that is where it is. The other thing I wanted to say is that I think that there needs to be more emphasis on Yemen from the East Africa standpoint, from the Horn of Africa standpoint. From my visit there, Yemen has far more connectivity to East Africa, particularly the relationship between Somalia and Yemen. They feed one another. You have got the training camps for al-Qaeda in Yemen, but you have also got the training camps for al-Qaeda and al-Shabaab connected in Somalia. So those are the points I wanted to try to get out. I think it is very important for us to emphasize we have got to kill al-Qaeda in Yemen.

Chairman BERMAN. As much as I would like to get your reaction to that, I think if we are going to make the vote, we better adjourn the hearing. Thank you all very much. Appreciate your being with us today.

[Whereupon, at 2:36 p.m., the committee was adjourned.]

APPENDIX

Material Submitted for the Hearing Record

FULL COMMITTEE HEARING NOTICE

Committee on Foreign Affairs

U.S. House of Representatives
Washington, D.C. 20515-0128

Howard L. Berman (D-CA), Chairman

February 1, 2010

TO: MEMBERS OF THE COMMITTEE ON FOREIGN AFFAIRS

You are respectfully requested to attend an OPEN hearing of the Committee on Foreign Affairs, to be held in **Room 2172 of the Rayburn House Office Building:**

DATE: Wednesday, February 3, 2010

TIME: 9:30 a.m.

SUBJECT: Yemen on the Brink: Implications for U.S. Policy

WITNESSES:

Panel I

The Honorable Jeffrey D. Feltman
Assistant Secretary
Bureau of Near Eastern Affairs
U.S. Department of State
(Former United States Ambassador to Lebanon)

The Honorable Robert F. Godec
Principal Deputy Coordinator for Counterterrorism
Office of the Coordinator for Counterterrorism
U.S. Department of State
(Former United States Ambassador to Tunisia)

Panel II

Christopher Boucek, Ph.D.
Associate, Middle East Program
Carnegie Endowment for International Peace

Mr. Leslie Campbell
Senior Associate & Regional Director for the Middle East and North Africa
The National Democratic Institute

Mr. Bruce Riedel
Senior Fellow
Saban Center for Middle East Policy
The Brookings Institution

Mr. Jonathan Schanzer
Vice President for Research
Foundation for Defense of Democracies

By Direction of the Chairman

The Committee on Foreign Affairs seeks to make its facilities accessible to persons with disabilities. If you are in need of special accommodations, please call 202/225-5021 at least four business days in advance of the event, whenever practicable. Questions with regard to special accommodations in general (including availability of Committee materials in alternative formats and assistive listening devices) may be directed to the Committee.

COMMITTEE ON FOREIGN AFFAIRS

MINUTES OF FULL COMMITTEE HEARING

Day *Wednesday* Date *2/3/10* Room *2172 RHOB*

Starting Time *9:30 a.m.* Ending Time *12:07 p.m.*

Recesses [-] (_____ to _____)

Presiding Member(s) *Howard L. Berman (CA) - Chairman*

CHECK ALL OF THE FOLLOWING THAT APPLY:

Open Session [✓]
Executive (closed) Session [ ]
Televised [✓]

Electronically Recorded (taped) [✓]
Stenographic Record [✓]

TITLE OF HEARING or BILLS FOR MARKUP: *(Include bill number(s) and title(s) of legislation.)*
Yemen on the Brink: Implications for U.S. Policy

COMMITTEE MEMBERS PRESENT:
See attached list

NON-COMMITTEE MEMBERS PRESENT:
n/a

HEARING WITNESSES: Same as meeting notice attached? Yes [✓] No [ ]
(If "no", please list below and include title, agency, department, or organization.)

STATEMENTS FOR THE RECORD: *(List any statements submitted for the record.)*
Guantanamo Detention Facility Facts submitted by Jim Costa

ACTIONS TAKEN DURING THE MARKUP: *(Attach copies of legislation and amendments.)*
n/a

RECORDED VOTES TAKEN (FOR MARKUP): *(Attach final vote tally sheet listing each member.)*

Subject	Yeas	Nays	Present	Not Voting

TIME SCHEDULED TO RECONVENE _____
or
TIME ADJOURNED *12:07pm*

Doug Campbell, Deputy Staff Director

Attendance - HCFA Full Committee Hearing
Yemen on the Brink: Implications for U.S. Policy
Wednesday, February 3, 2010 @ 9:30 a.m., 2172 RHOB

Howard L. Berman (CA)
Gary Ackerman (NY)
Eni F.H. Faleomavaega (AS)
William D. Delahunt (MA)
Diane E. Watson (CA)
Russ Carnahan (MO)
Albio Sires (NJ)
Gerald E. Connolly (VA)
Gene Green (TX)
Lynn C. Woolsey (CA)
Sheila Jackson-Lee (TX)
Barbara Lee (CA)
Brad Miller (NC)
David Scott (GA)
Jim Costa (CA)
Ron Klein (FL)

Ileana Ros-Lehtinen, (FL)
Dan Burton (IN)
Donald Manzullo (IL)
Edward R. Royce (CA)
Jeff Flake (AZ)
John Boozman (AR)
Gus Bilirakis (FL)

February 3, 2010

Chairman Berman's opening remarks at hearing, "Yemen on the Brink: Implications for U.S. Policy"

With so many pressing issues in the Middle East, the country of Yemen has received relatively little public attention since the October 2000 bombing of the U.S.S Cole.

But that all has changed in the last three months.

On November 5th, 12 brave soldiers and one Army civilian were brutally gunned down at Fort Hood, Texas, by an Army psychiatrist with links to a radical Yemeni-American cleric.

And on Christmas Day, a young Nigerian man who had plotted with al Qaeda operatives in Yemen tried to bring down Northwest Airlines Flight 253.

Even before these heinous acts, the Obama Administration recognized that Yemen should be a much higher priority, and took steps to more than double U.S. economic and military assistance to that country.

Today's hearing will focus on the numerous challenges that endanger Yemen's domestic stability and regional security. These include the presence of Al Qaeda in the Arabian Peninsula, religious and tribal conflict, separatist movements, dwindling natural resources, and a failing economy.

Yemen is rich in culture, history, and geographic beauty. But it is also the poorest country in the Arab world. More than 43 percent of its nearly 24 million people live below the poverty line, and per capita GDP is estimated to be between $650 and $800.

Yemen's oil, which provides the government with 75 percent of its income, is quickly running out. Some experts believe that its oil reserves will be depleted in the next seven years. Yemen's dire economic situation makes it increasingly difficult for the government to deliver the services needed to hold the country together.

An even more precious liquid, water, is also quickly running out. Yemen could, in fact, become the first nation ever to exhaust its fresh water supplies. Experts agree that the capital, Sana'a, has about ten years at current rates before its wells run dry -- but that city of two million continues to grow as water shortages elsewhere force people to migrate.

And then there's the pervasive use of qat, a narcotic plant that produces feelings of euphoria and stimulation, but ultimately undermines individual initiative. Sort of like being in Congress. The overwhelming majority of Yemeni males are known to chew qat, and for many it is a daily habit. Its cultivation is one of the major drains on Yemen's scarce underground water resources and on individual productivity. Qat production may use as much as 40% of water resources consumed by local agriculture.

The most immediate threats to Yemen's stability are the ongoing civil war against Houthi rebels in the north, a rejuvenated secessionist movement in the South, and a resurgent al-Qaeda. The Houthi rebellion, which began in 2004, spilled across the border and has engaged Saudi Arabia's military forces since November.

The more unstable Yemen becomes, the more likely it is that terrorism will thrive there, threatening U.S. regional interests and our homeland.

After years of tepid bilateral relations, now is the time for the United States to engage Yemen comprehensively. President Obama is working with the Yemeni government and others to aggressively pursue terrorists. But a policy of counterterrorism in isolation will not suffice. Yemen's deteriorating security is intimately linked to a host of political, economic, and social problems.

This hearing provides an opportunity to ask some key questions: How important is Yemen's stability to U.S. interests and U.S. security? Is Yemen on the brink of becoming another "failed state?" And what, if anything, can the United States do to tip the balance in the right direction?

To help us answer these questions, we have two panels of distinguished witnesses, whom I will introduce shortly.

But before I do, let me turn to the Ranking Member, Ileana Ros-Lehtinen, for any opening remarks that she'd like to make.

Statement on House Foreign Affairs Committee Hearing: 'Yemen on the Brink: Implications for U.S. Policy'

Rep. Ron Paul, M.D.
3 Feb 2010

Mr. Chairman, I am extremely concerned over current US policy toward Yemen, which I believe will backfire and leave the United States less safe and much poorer. Increasing US involvement in Yemen may be sold as a fight against terrorism, but in fact it is more about expanding US government control and influence over this strategically-placed nation at the gateway to Asia.

The current administration, according to today's testimony of Assistant Secretary of State Jeffrey Feltman, has dramatically increased foreign aid to Yemen, from $17 million in FY 2008 to $40 million in FY 2009, to $67 million for FY 2010, to, according to the president's recent budget sent to Congress, $106 million for FY 2011. That represents an incredible six-fold increase in US aid to Yemen over just four years, at a time when the US economy continues to falter.

When I look at the US assistance plan for Yemen I see that it is primarily focused on nation-building. That is the failed idea that if the United States sends enough money to a foreign government, with which that government purchases US-manufactured weapons and hires US-based consultants and non-governmental organizations, that country will achieve a strong economy and political stability and in gratitude will become eternally friendly to the US and US interests. I have yet to see a single successful example of this strategy.

According to Assistant Secretary Feltman's statement, "Priorities for U.S. assistance include political and fiscal reforms and meaningful attention to legitimate internal grievances; better governance through decentralization, reduced corruption and civil service reform; human rights protections; jobs-related training; economic diversification to generate employment and enhance livelihoods, and strengthened natural resource management." How can we believe that the US government can achieve abroad what we know it cannot effectively achieve at home? We are going to spend millions of dollars to help create jobs in Yemen as we continue to shed jobs in the United States?

Yemen is a country mired in civil conflict. The Shi'ites in the north, who make up a significant percentage of the country's total population and a majority in their region, have been fighting against what they see as the discriminatory policies of the Sunni-based government in the capitol, Sana'a, for years. Yemenis in the south, who up until 1990 were a separate country, likewise oppose the central government and threaten to escalate this opposition. Added into this mix are elements of what are called al-Qaeda in the Arabian Peninsula (AQAP), some of whom are left over from the US-supported fight against the Soviet occupation of Afghanistan in the 1980s, and others have been radicalized by their exposure to Wahhabi extremism in US-allied Saudi Arabia. Still others in AQAP are veterans of the insurgency against US occupation of Iraq. We cannot forget either those Yemenis who were held for years by the United States without charges at Guantanamo Bay. How many of those were innocent of terrorist actions or intent but became radicalized under such conditions?

Saudi Arabia's concern over the Shi'ite unrest in north Yemen has led to unsubstantiated claims of Iranian involvement in attempt to draw the US into a regional problem that has nothing to do with the United States. Saudi Arabia has struggled with unrest among its own Shi'ite population and is determined to prevent any spill-over. There are some here in the US who repeat false claims of Iranian involvement in the hope of expanding the US military presence in the area. Others in the United States irresponsibly call for a US pre-emptive war in Yemen. We should be clear on this: expanded US involvement in Yemen plays into the hands of bin Laden and his organization as has been made clear on many occasions. Luring the United States into a conflict in Yemen by falsely advertising it part of a war on terror will certainly radicalize the Yemeni population against the United States. It will weaken our over-extended military and it will further destroy our economy.

Similarly, the US-backed central government in Sana'a stands to gain by claiming its internal problems are part of a global crisis that requires US intervention. The central Yemeni government has much to gain by making its battles and its problems our battles and our problems. But that gain will come at the expense of US soldiers, US security, and the American economy. I wonder how long it will be before the US establishes a permanent base on the strategic territory of Yemen?

I hope, as we begin to debate the foreign affairs budget for next year, that we may yet change course from that of the last administration, where the failed policies of interventionism, militarism, and nation-building have left the United States in a diminished position in the world.

Statement
Congresswoman Diane E. Watson
Full Committee: Foreign Affairs
Wednesday, February 2, 2010
9:30 a.m.

"Yemen on the Brink: Implications for U.S. Policy"

Good Morning. Thank you Mr. Chairman for holding this timely hearing on the situation in Yemen.

These past few years, we as a nation have been riveted by the developments in Iraq, Afghanistan, and, recently, Pakistan. Somehow, we overlooked the developing situation in Yemen. Yet, it has been a nation that supplied 17% of the terrorists in Iraq. The camps that are believed to be in this nation may well transport terrorists all over the world. Yemen is the source of a jihadist who almost succeeded in blowing up a U.S.-bound plane on Christmas Day. Therefore, I think it is time that we cast our gaze upon on Yemen to learn about a part of the geo-political equation that we have been missing for all these years.

Thank you Mr. Chairman. I yield back the remainder of my time.

Committee on Foreign Affairs hearing
Yemen on the Brink: Implications for U.S. Policy
Wednesday, February 3, 2010 @ 9:30 a.m.

Rep. Mike Pence:

Mr. Chairman and Ranking Member, thank you for your continued leadership and for holding this timely hearing on the United States' foreign policy towards the troubled country of Yemen. I would also like to extend my appreciation to our distinguished panel for their insight and expertise on this increasingly pressing issue.

Mr. Chairman, as you are well aware, on Christmas Day 2009, while most of us in this room were far removed from the pressing issues of the day and hopefully enjoying one of the most special holidays, a nightmare scenario very nearly played out in the skies above Detroit, Michigan.

Omar Farouk Abdulmutallab, a 23 year old Nigerian citizen, under the guidance of terrorist leaders belonging to al Qaeda in the Arabian Peninsula (AQAP), attempted to bring down Northwest Airlines Flight 253 carrying 289 people.

Though Abdulmutallab was unsuccessful, thanks in large part to the quick and heroic measures taken by the passengers onboard, it is now more clear than ever that the situation in Yemen represents a very clear and imminent threat to our national security.

Simply put, our policy in Yemen must be to defeat AQAP and prevent this country from continuing to be a safe haven for terrorist organizations. However, many factors, both in and out of our control, make that proposition far easier said than done.

Before the formation of AQAP, al Qaeda in Yemen was responsible for the attack on the *U.S.S. Cole* and the failed attack on the *U.S.S. The Sullivans*, among others. Following a merger with the remnants of al Qaeda in Saudi Arabia, AQAP has become one of the most dangerous branches of al Qaeda. AQAP is led by terrorists who escaped a Yemeni prison in 2006, as well as individuals who have been released from the detainee center in Guantanamo Bay. Its goal is to strike the United States and American interests while using Yemen as its base of operations.

Domestically, Yemen is a largely ungoverned country that faces many challenges which make it, at best, a tenuous partner in the fight against AQAP. President Ali Abdullah Saleh faces a Shiite insurgency that violently opposes the legitimacy of his rule. In August of 2009, Saleh sought to eliminate the al Houthi insurgency by launching an operation that, by most estimates, includes at least one-third of Yemen's military. In the southern provinces, a secessionist movement led by exiled government leaders has targeted both government personnel and buildings.

To make matters worse, Yemen's oil resources are predicted to run out within this decade. Oil revenues account for ninety percent of export income and approximately two-thirds of public revenue. Water resources are also scarce and estimates indicate that the wells in the capital city of Sana'a will also run dry within the next few years.

These factors threaten the stability of the Yemeni government and have allowed AQAP to thrive largely without pressure.

To quote General David Petraeus, "The inability of the Yemeni government to secure and exercise control over all of its territory offers terrorist and insurgent groups in the region, particularly al Qaeda, a safe haven in which to plan, organize, and support terrorist operations."

We must develop a comprehensive strategy that allows the government of Yemen to become a better partner in this fight. The immediate security and socio-economic concerns in-country play a large role in the overall context of the growing terrorist threat emanating from within it. The United States must take bold steps to address these factors if we are to be successful in Yemen.

Without decisive action, AQAP and other terrorist organizations will continue to find Yemen to be fertile ground to serve as a launching point to attack the United States and our interests abroad.

OPENING STATEMENT OF
THE HONORABLE RUSS CARNAHAN (MO-03)
COMMITTEE ON FOREIGN AFFAIRS
U.S. HOUSE OF REPRESENTATIVES

Hearing on
Yemen on the Brink: Implications for U.S. Policy
Wednesday, February 3, 2010, 9:30 a.m.
2172 Rayburn House Office Building

Chairman Berman and Ranking Member Ros-Lehtinen, thank you for holding this hearing regarding U.S. foreign policy toward Yemen. I appreciate the attention that is being given to this topic and hope that we can work towards to achieving stability in Yemen.

Last November, an Army psychiatrist with links to a radical Yemeni-American cleric killed 12 U.S. soldiers and an Army civilian at Fort Hood, Texas. Then on Christmas Day, a Yemeni-trained terrorist attempted to bomb Northwest Airlines Flight 253 headed to Detroit.

While these recent events have drawn significant public attention to national security threats posed by Yemen, the nation has been facing serious economic, humanitarian, literacy, and governance challenges for many years, and it currently teeters on the verge of becoming a failed state. Lack of economic development, dwindling oil supplies, persistent tribal conflict, and governmental mismanagement have fueled instability and have left significant portions of the population alienated and vulnerable to extremist ideologies. The U.S. can not afford to allow the situation in Yemen to deteriorate further.

I am encouraged that, even prior to recent actions, the Obama Administration recognized that Yemen must be a higher priority, having more than doubled U.S. economic and military assistance to the country. I am interested in hearing from the witnesses today on the best approaches to increased, comprehensive, and multilateral engagement with Yemen. Specifically, I would like to make certain that we are carefully enforcing oversight practices that include clearly defined and achievable benchmarks to ensure the proper use of taxpayer funds. Additionally, I hope the witnesses will address how the U.S. can work with regional and international organizations to increase our leveraging capability with and legitimacy of the Yemeni government.

In closing, I'd like to thank the panelists for their testimonies and presence here today. I hope that your answers and opinions will further our understanding of challenges facing Yemen and U.S. foreign policy toward the nation moving forward.

The Honorable Gerald E. Connolly (VA-11)

HCFA Full Committee Hearing
Yemen on the Brink: Implications for U.S. Policies
Wednesday, February 3, 2010
9:30am

The case of Umar Farouk Abdulmutallab, the "Christmas bomber," is a reminder that the threat of terrorism is not confined to one source, and there is not a single country with defined boundaries from which extremist violence originates. When news of the most recent terror attempt broke, analysts began to discuss a new threat from Al Qaeda in the Arabian Peninsula, or AQAP, based in Yemen. Though Abdulmutallab trained in Yemen, U.S. military leaders have wisely ruled out sending U.S. ground troops to the fragile country. Though safety and security are major priorities for the United States, any strategy must work within the current political reality in Yemen.

As General Petraeus noted earlier this month, Yemen's government "does not want to have American ground troops there." Lack of cooperation from Yemen's government, coupled with widespread anti-Americanism, could mean disastrous results for any U.S. military campaign there. As recent wars have shown the U.S. and its allies, the importance of winning the "battle for hearts and minds" cannot be overestimated.

Yemen has its own domestic instability to deal with—most notably the Al Houthi revolt in the North and a secessionist movement in the South. Houthi rebels in the North have been leading an insurgency against the Yemeni government and President Saleh for six years. This past November, the Houthi rebels struck a Saudi outpost on the Yemen/Saudi Arabia border. It is unclear where these rebels obtain their moral and financial support, though some analysts believe that prominent Yemenis with a stake in the Presidential succession are involved; other theories involve elements of the Yemeni military. Whatever the source, the Houthi insurgency is destabilizing to Yemen.

Not only is there an anti-government rebellion in the North, but there is also unrest in the South, where Yemenis are disillusioned with the central government. South Yemenis' grievances stem from a lack of local governance. There are also accusations of human rights violations perpetrated by the Central Security forces. According to a 2009 Human Rights Watch report, the abuses have included "unlawful killings, arbitrary detentions, beatings, crackdowns on freedom of assembly and speech ... [which have] created a climate of fear."

Yemen's economic future looks bleak as well. The country relies on foreign remittances and oil revenue for most of its income. In 10 to 15 years, its oil reserves will disappear. Meanwhile, fuel, which is heavily subsidized by the government, is often smuggled outside of the country. Moreover, the cultivation of country's cash crop—a chewable leaf called Qat—exacerbates Yemen's water crisis and stunts agricultural diversification.

In the current fiscal year (FY2010), the U.S. is providing a total of $52.5 million in economic and military assistance to Yemen. Though Yemen is a prime example of a country that needs development aid, U.S. funds ought to be distributed through the proper institutions. This is especially necessary given Yemen's mixed track record with counterterrorism cooperation. For example, one of the organizers of the USS Cole bombing, Jamal al Badawi, escaped from Yemeni custody twice. After Badawi's second recapture, Yemeni authorities placed him under house arrest in 2007 despite strong U.S. protests. A year earlier, 23 of Yemen's most wanted terrorists escaped from prison, an escape which may have been facilitated by Yemeni intelligence officers.

U.S. military leaders, including the commander-in-chief, have stated that the U.S. will not send ground troops to Yemen. This is a rational decision. The U.S. has other strategies in its national security arsenal, including development and diplomacy. Ultimately, any Yemen strategy will have to address the myriad challenges in that country.

Congresswoman Jackson Lee, Of Texas
Committee on Foreign Affairs

Full Committee Hearing on
"U.S. Policy Towards Yemen"

STATEMENT

February 03, 2010

Foremost, I would like to extend my gratitude to Chairman Berman for hosting this important Committee hearing today. I would also like to thank our distinguished witnesses:

- The Honorable Jeffrey D. Feltman, Assistant, Secretary, Bureau of Near Eastern Affairs, U.S. Department of State;
- The Honorable Robert F. Godec, Principal Deputy Coordinator for Counterterrorism, Office of the Coordinator for Counterterrorism, U.S. Department of State.

On the second panel we will hear from:

- Christopher Boucek, Ph.D., Associate, Middle East Program, Carnegie Endowment for International Peace;
- Mr. Leslie Campbell, Senior Associate & Regional Director for the Middle East and North Africa, The National Democratic Institute;
- Mr. Bruce Riedel, Senior Fellow, Saban Center for Middle East Policy, The Brookings Institution; and
- Mr. Jonathan Schanzer, Vice President for Research, Foundation for Defense of Democracies.

I thank you all for bringing your advice and expertise today as we analyze the future of U.S. policy towards Yemen.

Although Yemen relations have been generally calm for the past several years, a resurgence of Al-Qaeda activity on the Arabian Peninsula, as well as the attempted bombing of Flight 253 on Christmas Day, has heightened our sensitivity to threats coming out of Yemen.

Although the string of recent attacks against the U.S. have been found to have originated out of Yemen. The most recent of these attacks occurred on Christmas Day 2009 when Umar Farouk Abdulmutallab, a Nigerian, attempted to ignite explosive chemicals in an attempt to destroy and kill the 259 passengers and crew aboard Northwest Airlines Flight 253 from Amsterdam to Detroit.

Although the suspect was of Nigerian descent, Mr. Abdulmutallab purportedly received equipment and training from Islamist militants in Yemen while studying at the Sana'a Institute for the Arabic Language between 2004 and 2005.

Mr. Abdulmutallab returned to Yemen in August 2009 during the month of Ramadan and supposedly stayed in country until traveling to Amsterdam and boarding Northwest Airlines Flight 253 to Detroit.

The recent Fort Hood shooting that took place on November 5, 2009, in my home state of Texas, also demonstrated this recent upsurge of terrorist activity and training coming out of Yemen. In the November attack, U.S. Army Major Nidal Malik Hasan opened fire on soldiers and civilians alike, killing 13 people and wounding 30 others at the Fort Hood Army Base.

Major Hasan allegedly had ties to a Yemeni cleric named Anwar al-Awlaki who was the head of a Mosque in Virginia. The Major also purportedly received instructions from the cleric prior to his attack on Fort Hood. Furthermore, Anwar al-Awlaki is also believed to have aided several of the 9/11 hijackers prior to 2001 and is believed to remains at-large today in Yemen.

In an attack against the U.S. that preceded 9/11, seventeen American sailors were killed in a suicide bombing attack against the U.S. Navy destroyer USS Cole as it was harbored in the Yemeni port of Aden on October 12, 2000. It was later determined that the attack was carried out by an al-Qaeda cell operating out of Yemen.

These incidents indicate that both threats and acts of terrorism have been emanating out of Yemen for years. Therefore it is important for us to confront this issue by increasing our technical military assistance and foreign aid to the Yemeni government and people. By increasing our assistance and coordination with the Yemeni government, we can improve Yemen's capacity to effectively control and thwart terrorist cells from carrying out future attacks against the U.S., Yemen, and our allies. Additionally, by increasing our foreign aid and assistance to Yemen, we can help to improve the standards of living in Yemen and create alternatives and opportunities for people to live healthy and productive lives.

I also would like to commend President Obama for his efforts in reviewing and modifying our nation's Yemen policy since taking office in 2009. Soon after taking

office, the President ordered the National Security Council to undertake a comprehensive review of our Yemen policy. Based on this review the Administration developed a more comprehensive approach to Yemen that incorporates not only counter-terrorism and security related initiatives, but also a policy that would also take into account Yemen's political, economic and social conditions.

Throughout 2009, U.S. intelligence officials also expressed concern that an increasing amount of Al Qaeda operatives had been moving from Saudi Arabia, Afghanistan, and Pakistan to Yemen and Somalia. This is a significant threat not only to the U.S. but it also presents a significant threat to the peace and stability in the region as well as to some of the most important and frequented shipping lanes in the world.

In order to protect the U.S. against future terrorist attacks, it is important that we continue moving in the direction President Obama has pointed our nation and continue to help the Yemeni government to combat terrorist training activities within its borders. It is also important for us to increase our focus on the entire region around the Arabian Peninsula to include the area around the Gulf of Aden and Somalia.

Every year hundreds of thousands of Somali refugees flee to Yemen to escape the ongoing violence and lack of stable governance in the area. Somalia is also a safe haven for pirates threatening the vital international shipping lanes of the Bab al-Mandab strait, through which an estimated 3 million barrels of oil are shipped on freight ships every day.

Unfortunately, Yemen's ability to combat piracy beyond its immediate shoreline and major ports is extremely small. Although the United States helped build Yemen's coast guard after the 2000 USS Cole attack, the country's shoreline is vast, and the number of patrol and deep water vessels in its fleet is limited. It is important that we address this issue and increase our military assistance and support to Yemen both along the shorelines as well as within the interior of the country.

Although Republicans have labeled President Obama as being soft on terrorism, under his leadership America has made major strides in monitoring and disrupting terrorist cells all across the world. Moreover, President Obama has brought a new approach to the way we both fight terror and prosecute terror suspects that is more consistent and in line with U.S. the values of holding fair and just legal proceedings.

Also, in spite of sporadic public criticism against holding civilian trials for suspected terrorists rather than holding the trials in a military tribunals, a recent study by the Center for American Progress showed that, in fact, criminal courts are generally much tougher on terrorists than their military counterparts.

In conclusion, we must remember that the situation in Yemen is the result of years of being overlooked even after the bombing of the USS Cole. Countering terrorism and protecting our homeland requires a multiagency approach, and I am pleased to see—from my position on the Committee on the Judiciary and the Committee on Homeland Security—that the Administration has embraced such a multiagency approach. I am eager

to hear from our distinguished witnesses how we can best utilize our foreign policy tools to compliment the other agencies working to protect America.

Mr. Chairman, I thank you once again for calling this important hearing.

MATERIAL SUBMITTED FOR THE RECORD BY THE HONORABLE JIM COSTA, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Guantanamo Detention Facility Facts

1. **Members may disagree with the President on closing Gitmo, but they should understand that they are also disagreeing with the Secretary of Defense, the Chairman of the Joint Chiefs of Staff, and the Commander of U.S. military forces in the Middle East, all of whom served under the previous Administration.**

According to military commanders and civilian leaders, closing the detention facilities at Guantanamo is a national security imperative in the war against al Qaida. Secretary Gates, Admiral Mullen, and General Petraeus all stated that closing Guantanamo will help our troops by eliminating a potent recruitment tool. All three officials prosecuted this war under the previous Administration and continue to do so today.

- **Robert Gates, Secretary of Defense:** Guantanamo "itself is a condemnation" and "will be an advertisement for al Qaeda as long as it's open."

- **Admiral Michael Mullen, Chairman, Joint Chiefs of Staff:** Guantanamo "has been a recruiting symbol for those extremists and jihadists who would fight us."

- **General David Petraeus, Commander, U.S. Central Command:** "I oversee a region in which the existence of Gitmo has indeed been used by the enemy against us."

- **Admiral Dennis Blair, Director of National Intelligence:** Guantanamo "is a rallying cry for terrorist recruitment and harmful to our national security."

Other notable foreign policy and security thinkers have spoken in support of Guantanamo's closure as well:

- **General Colin Powell**, Chairman of the Joint Chiefs of Staff under President George H.W. Bush and Secretary of State under President George W. Bush: "Guantanamo has become a major, major problem for America's perception as it's seen, the way the world perceives America. And if it was up to me, I would close Guantanamo not tomorrow, but this afternoon."

- **Dr. Henry Kissinger, James Baker III, Warren Christopher, and Madeleine Albright**, Secretaries of State under Presidents Nixon, Ford, George H.W. Bush, and Clinton, all support the closure of the Guantanamo detention facility.

- **Marine Corps Major General Michael Lehnert,** the commander who originally built the detention facility at Guantanamo: "before I left Guantanamo, I was of

the opinion that it needed to go away as soon as possible. ... I think we should close it down."

- **Senator John McCain:** "I would immediately close Guantanamo Bay, move all the prisoners to Fort Leavenworth and truly expedite the judicial proceedings in their cases."

2. **There is a process in place to ensure safe transfer of detainees.** The Obama Administration has undertaken a Comprehensive Interagency Detainee Review Process. The process has been established to make certain there will be Congressional Review of any detainee transfer. This contrasts entirely with the Bush Administration approach towards transfer, which has been described by previous officials as "sloppy." The current process includes the following:

- **Information Collection:** Executive Order 13492 called for the collection of information about detainees from all federal agencies, and it directed an in-depth interagency review of their status.

- **Interagency Review Panel:** To implement the Executive Order, an interagency review panel was established with senior officials from the Departments of Justice, Defense, State, and Homeland Security, and the Office of the Director of National Intelligence and the Joint Chiefs of Staff.

- **Experienced Personnel:** The panel is staffed by a task force of more than 60 career prosecutors, attorneys, and analysts from across the federal government.

- **Current Status:** The panel has been reviewing the files of every detainee at Guantanamo and making recommendations on a rolling basis for prosecution, transfer abroad, or continued detention. They expect to complete their work by January.

- **Advance Congressional Notification:** The Administration will notify Congress before detainees are transferred to the United States or abroad.

3. **Federal Prisons Can Handle Terrorists.**
   - Hundreds of terrorists are already safely detained in the US, including:
     - Zacarias Moussaoui, convicted in connection with the 9/11 attacks
     - Ali al-Marri, convicted al Qaeda sleeper agent
     - Ramzi Youssef, mastermind of 1993 World Trade Center bombing
     - Richard Reid, the so-called "shoe bomber"
     - Omar Abdul Rahman, the so-called "Blind Sheik"
     - Theodore Kaczynski, the so-called "Unabomber"
     - Terry Nichols, conspirator in the 1995 Oklahoma City bombing

- Jose Padilla, convicted of conspiring in and supporting overseas terrorist plots

4. **Military Commissions are a risky, unproven way to convict terrorists.**
   - Keeping Gitmo open for military commissions is a risky proposition, the costs of which far outweigh the benefits. Since their formation in November, 2001, military commissions have only had one trial, negotiated one plea bargain, and convicted one defendant after he boycotted the proceedings. In addition to this paltry record of trials there remain serious questions about the commissions' legality. Serious questions remain about whether the most used charge in military commissions, material support for terrorism, will be available to prosecutors because it is not a war crime.

   - Given this poor track record it is remarkable that conservatives' trumpet military commissions as if their performance was beyond reproach. Former senior Bush administration officials James Comey and Jack Goldsmith warned that conservative critics of Obama were placing "undue faith" in the commissions and there is "great uncertainty about the commissions' validity."

   - The evidence of the eight-year experiment with military commissions demonstrates that it is an unacceptable risk to trust the prosecution of high-level terrorists in such an untested and uncertain system.

Congressman Russ Carnahan
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Questions for the Record

Response from the Honorable Jeffrey D. Feltman, Assistant Secretary, Bureau of Near Eastern Affairs, U.S. Department of State

Panel I:

1. Last week, the United Kingdom hosted an international conference comprised of delegates from 20 countries to address the global security threat posed by Al Qaeda's presence in Yemen. Such international discussion brings increased legitimacy to the urgency of the situation, and thus has the potential to yield more durable results than only engaging in bilateral action. What can the U.S. do to encourage further multilateral engagement with Yemen? In particular, how can the U.S. utilize regional power constructs, like the Gulf Cooperation Council, to promote security and development in Yemen?

Answer:

The United States is currently working withYemen's Gulf neighbors to help address the country's confluence of developmental problems and Al Qaeda through improving capacity and capabilities. The Gulf Cooperation Council Secretary General will host a meeting of Gulf and other partners of Yemen in Riyadh on 27-28 February. This meeting will share analysis on the barriers to effective aid in Yemen, leading to a joint dialogue with the government of Yemen on priority reforms.

In London, the international community also agreed to provide technical assistance and political backing for Yemen's discussion of an IMF program. This will provide welcome support and help the government to confront immediate challenges while also paving the way for necessary economic reforms.

Finally, the group agreed at the meeting to launch a 'Friends of Yemen' process, which will follow-up on the conclusions developed in London and provide lasting engagement with and assistance to Yemen to address the broad range of challenges facing the country. The Government of Yemen and the group of Friends will discuss ways and means of implementing Yemen's National Reform Agenda, including through two working groups on economy and governance; and justice and rule of law.

2. With Yemen on the verge of becoming a failed state, it is clear that U.S. development aid and security assistance are necessary to prevent it from becoming a breeding ground for increased terrorist activity. I am encouraged that the Administration significantly and

comprehensively increased aid to Yemen for FY 2010. Given such significant boosts, we must carefully enforce oversight practices that include clearly defined and achievable benchmarks to ensure the proper use of funds. What mechanisms does the Administration use currently to monitor the effectiveness of aid to Yemen?

Answer:

It should be noted that USAID does not provide funds directly to or through the Government of Yemen or its institutions. USAID implements all programs through grantees and contractors with a presence in Sana'a as well as in governorates where our programs are active. All USAID prime grantees are currently checked against Department of State, OFAC, and United Nations lists before receiving funds, and must provide performance and financial reports on a quarterly basis.

A risk assessment (relative to terrorist financing) was conducted in August 2009 and plans are being developed to intensify related screening and monitoring of USAID implementers and their local partners under the new USAID strategy.

To date, USAID/Yemen has relied on its implementing partner staff for progress reports on its programming on the ground. This is because of security constraints that largely prevent USAID staff from traveling outside Sana'a to conduct site visits, meet with community-level beneficiaries, etc. With support from USAID/Washington, USAID/Yemen has also conducted mid-term and final evaluations of existing programs.

What is your assessment of our success in meeting goals to date?

Answer:

Despite the deteriorating security situation, USAID continues to meet its development goals - especially in basic health and education - in areas where we have been able to continue operation, e.g. Shabwa and Amran. In other areas, however, USAID has been compelled to reduce operations. For example, USAID health and education activities in Sa'adah governorate have been reduced in recent months because of the Huthi-Government of Yemen conflict. A similar situation exists in al-Jawf governorate because of ongoing tribal conflicts there.

Moving forward, what changes might you suggest in our oversight plan?

Answer:

Given the urgent situation in Yemen and increased levels of development assistance, USAID has devised a new 3 year strategy focusing on stabilization. Under this strategy, USAID will identify and address drivers of instability through integrated local development in targeted areas. USAID plans to support economic opportunities, the delivery of basic services and enhanced government responsiveness to communities in these areas.

In order to effectively implement the new strategy given the high threat environment, security constraints and limited staffing, USAID will invest in a robust monitoring and evaluation (M&E) project. This will enable continuous monitoring of individual project inputs and outcomes, as well as analysis of the overall impact of USAID programs on stability in Yemen. The project will maintain a state-of-the-art information database and a capacity to conduct surveys and ad hoc analysis, to provide continuous program information and generate ongoing reporting and to ensure environmental compliance of all USAID work.

Further, USAID's M&E project is being closely synchronized with Department of Defense (DoD) activities. As a member of the Conflict Prevention Donor Roundtable, USAID is leading efforts to coordinate donor metrics on conflict and stability in Yemen.

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Response from Christopher Boucek, Ph.D., Associate, Middle East Program,
Carnegie Endowment for International Peace

Question:

1. Given the volatile temperature of the Middle East region as whole, what can the U.S. and the international community do to prevent other regimes and nongovernment entities in the region from exploiting Yemen's vulnerabilities and fueling further activity of Al Qaeda in Arabian Peninsula (AQAP)?

Answer:

The challenges and problems currently facing Yemen are not the result of outside actors. The Yemeni government has repeatedly claimed that the Iranian government has been active in supporting the Houthi rebels in the civil war in Saada. However, no evidence to justify these allegations has ever been produced by the Yemeni government.

AQAP's presence in Yemen does not appear to be supported by any other regimes or nongovernmental actors. The reemergence of a regional al-Qaeda organization based in Yemen was furthered by successful counter-terrorism operations in Saudi Arabia. The influx of Saudi militants escaping the security crack-down in the kingdom fueled the growth and development of AQAP.

Washington and the international community will do best in Yemen if they do not focus on security concerns to the exclusion of all other issues. There are many challenges to Yemeni stability—which will in turn affect U.S. national security—however, counter-terrorism and al-Qaeda are not the biggest threats. The United States and the international community must focus on Yemen's poverty, looming economic crisis, and failing human security.

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Response from Mr. Jonathan Schanzer, Vice President for Research
Foundation for Defense of Democracies

1. Given the volatile temperature of the Middle East region as whole, what can the U.S. and the international community do to prevent other regimes and non-government entities in the region from exploiting Yemen's vulnerabilities and fueling further activity of Al Qaeda in Arabian Peninsula (AQAP)?

Answer:

Given that the U.S. will almost certainly not dispatch troops to Yemen, we can only warn state and non-state actors that they will pay a price if they attempt to exploit Yemen's vulnerabilities.

However, in order for those warnings to carry meaning, the U.S. needs to project strength, particularly in the two areas where it is currently engaged. U.S. victories—or at least U.S. imposed stability—in Iraq and Afghanistan will go a long way in deterring outside actors from meddling in Yemen or other areas that have been identified by Washington as U.S. interests. If we fail to achieve victory or stability in these two critical fronts, state and non-state actors may get the impression that the U.S. lacks the strength to back up its words.

One other way for the U.S. to achieve this deterrence might be to resume the Predator drone attacks and other counterterrorism operations that it conducted in concert with the Yemeni government in the years immediately following the 9/11 attacks. These attacks were a direct projection of U.S. strength; the U.S. was hunting down terrorist operatives in Yemen, even when U.S. troops were not on the ground.

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Response from Mr. Leslie Campbell, Senior Associate & Regional Director for the Middle East and North Africa, The National Democratic Institute

1. (Dr. Campbell, NDI) - What can the U.S. and the international community do to increase political reforms in Yemen that improve good governance capability? What mechanisms does the U.S. use to monitor such political reform, and where is there room for improvement in our tools for democratic governance assessment?

Answer:

What sets Yemen apart from a failed state is the existence of nascent political and democratic institutions. Rather than channeling the majority of assistance toward government ministries, the U.S. should ensure that there is adequate support for parliamentary development, political party building, anti-corruption activities, rule of law training, civil society development and women's rights. Of course, this should be in concert with exploring all avenues to increase economic development. Where assistance – security and otherwise – does go to the government it should have "soft" conditions, that is, political, civil and human rights and media freedom must be respected if aid is to continue.

Tools for democratic governance assessment are improving. In addition to the Freedom House reports, local NGOs are being trained to play a watchdog and advocacy role, cooperation is increasing among international organizations devoted to democracy assistance and donors and democracy implementers build evaluation components into program design and implementation. There is no single standard for monitoring political reform, but there is considerable communication among the agencies, think-tanks and governments that have an interest in seeing continued progress.

2. Given the volatile temperature of the Middle East region as whole, what can the U.S. and the international community do to prevent other regimes and non-government entities in the region from exploiting Yemen's vulnerabilities and fueling further activity of Al Qaeda in Arabian Peninsula (AQAP)?

Answer:

Security cooperation between the U.S. and other international actors and the Yemen regime has been generally positive. Unfortunately GCC countries, particularly Saudi Arabia, have not taken the active role in Yemen's development that most have hoped for. In fact, many in Yemen suggest that Saudi Arabia has played a destabilizing role in past years. There are rumors that Iran is playing a role in destabilization more recently. The U.S. and international community must convince Yemen's neighbors, some of which are among the richest in the world, to actively invest in Yemen's economic future while avoiding support for destabilizing elements, particularly in the tribally controlled areas.

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Response from Mr. Bruce Riedel, Senior Fellow, Saban Center for Middle East Policy, The Brookings Institution

1. Given the volatile temperature of the Middle East region as whole, what can the U.S. and the international community do to prevent other regimes and non-government entities in the region from exploiting Yemen's vulnerabilities and fueling further activity of Al Qaeda in Arabian Peninsula (AQAP)?

Answer:

The principle outside threat of further destabilization of Yemen probably comes from Iran. Resolving Yemen's internal conflicts, especially the Houthi rebellion, would make if far more difficult for Iran to play a disruptive role in Yemen.

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Response from the Honorable Jeffrey D. Feltman, Assistant Secretary, Bureau of Near Eastern Affairs, U.S. Department of State

1. The Christmas Day bombing was a shocking event to us all, primarily because it demonstrated these AQAP (Al Qaeda Arabian Peninsula) operatives have the ability to act not only outside the borders of Yemen, but beyond the Arabian Peninsula. I would like to know your thoughts on who is providing the hardware to carry out these attacks and how closely this Al Qaeda faction is associated with the Al Qaeda leadership in the AfPak region. Do you think they can maintain a long-term ability to threaten U.S. homeland security?

Answer:

Weapons and explosives are widely available within Yemen, and we believe that AQAP procures its own equipment for its attacks from within Yemen. While AQAP is ideologically linked to al-Qa'ida's leadership and looks to Usama bin Ladin as the group's source of guidance and leadership, its attacks appear to be locally conceived. AQAP will remain a threat to U.S. security at home and abroad until Yemen, working with the international community, dismantles the group to the point that it becomes operationally ineffective and its philosophy and message have no public resonance.

2. I understand that in recent months, the Yemeni military has increased operations against AQAP (Al Qaeda Arabian Peninsula). How effective are these air strikes and ground operations at disrupting the organization's activities and dismantling senior leadership? How can the United States best support these efforts?

Answer:

In general, we are very pleased with the efforts that the Government of Yemen has undertaken to pursue AQAP leadership, especially since December of 2009. While the leaders of AQAP remain at large, sustained pressure increases the chances that they will be killed or captured, and should complicate their ability to plan attacks. In the meantime, the United States will support the Government of Yemen with the provision of training and equipment to counterterrorism forces, and we will support their political commitment to pursue and eliminate AQAP in Yemen.

3. Corruption continues to be a significant problem when providing humanitarian and development assistance to Yemen. Given the significant increase in U.S. foreign aid to Yemen, how can we ensure the money is getting into the right hands and helping the country increase its security and provide opportunities for socio-economic development?

Answer:

First of all, it is important to clarify that we do not give cash or budgetary assistance to the government of Yemen. While we do work with the various ministries in the design and implementation of our aid programs, all funds go through USG accounts to local implementers.

As part of our policy review of Yemen that began last year, USAID has developed a new country strategy for Yemen, which it will begin to implement in the coming months. One objective of USAID's new governance program is to improve Yemeni governmental capacity to manage and account for donor funds that run through its institutions. This objective is in part designed to respond to expressed Gulf state concerns that they cannot fulfill their donor pledges to Yemen because of poor management, lack of transparency and accountability, corruption, etc.

There are also a number of existing efforts undertaken to stem corruption and increase the effectiveness of U.S. international aid. All foreign assistance grantees are currently vetted before receiving funds, and must provide performance and financial reports on a quarterly basis. We also have a Middle East Partnership Initiative (MEPI) Coordinator in Embassy Sana'a and a Regional Office in Abu Dhabi who work directly with groups receiving funds. Additional U.S. Government efforts include promoting ongoing electoral reform in preparation for April 2011 parliamentary elections and providing assistance to help Yemen combat corruption, promote rule of law, and improve governance.

4. While it is important for the United States to provide foreign assistance for the development activities, we cannot get embroiled in the internal fighting currently underway. What roles can other countries such as Saudi Arabia and Qatar and organizations such as the League of Arab States play to ensure Yemen does not dissolve into a failed state?

Answer:

A number of Arab League member states recently attended the January 27 London meeting where the international community agreed to assist Yemen in its political and economic reforms. We are working with Yemen's Gulf neighbors in particular to help address the country's confluence of development challenges through improving capacity and capabilities. Saudi Arabia and other Gulf States continue to play an important role in supporting Yemen, and are working with all of Yemen's international partners to better coordinate foreign assistance and to make sure that it has an impact on the ground.

The Gulf Cooperation Council Secretary General will host a meeting of Gulf and other partners of Yemen in Riyadh on 27-28 February. This meeting will share analysis on the barriers to effective aid in Yemen, leading to a joint dialogue with the government of Yemen, including on priority reforms. The international community also agreed to provide the technical assistance and political backing to Yemen's discussion of an IMF program.

Finally, in London the group agreed at the meeting to launch a 'Friends of Yemen' process, which will follow-up on the conclusions developed in London and provide lasting engagement with and assistance to Yemen to address the broad range of challenges facing the country. The Government of Yemen and the group of Friends will discuss ways and means of implementing Yemen's National

Reform Agenda, including through two working groups on economy and governance; and justice and rule of law.

5. Reports indicate that the Yemeni American cleric, Shaykh Anwar al-Awlaki, had close contact with both U.S. Army Major Nidal Hassan, responsible for the deaths of 13 soldiers at Fort Hood, Texas, as well as Omar al Farooq Abdullmutallab, the Christmas Day bomber. How much influence does this one cleric have and how closely are we monitoring his activities and the messages he is putting forth?

Answer:

Anwar al-Awlaqi has written widely in both Arabic and English, and we assess that he has a large following in the Arab and western worlds. His extremist teachings appear both on his dedicated blog, on the social media outlets "Facebook" and "MySpace". In addition, much of his published work is available in Muslim bookstores worldwide. The U.S. is closely watching Awlaqi's activities due to the ongoing threat he poses and is watching the activities of supporters in several countries in contact with him.

6. With the encouragement of Congress, the administration recently decided to suspend the transfer of detainees from Guantanamo Bay, Cuba, to Yemen. As of today, over 90 Yemeni detainees remain in Guantanamo Bay. In the past, the Yemeni government proved unable to effectively de-radicalize these individuals and several former detainees are reportedly among the senior leadership of AQAP (Al Qaeda Arabian Peninsula). Has the Yemeni government made any positive progress towards developing the capability to deal with these individuals?

Answer:

The Administration has always sought to ensure that detainees are transferred from Guantanamo in a manner consistent with the national security and foreign policy interests of the United States. In the case of Yemen, we thought it prudent to suspend repatriations of Yemeni detainees in light of the current security situation in Yemen. Concurrently, we are working with the Government of Yemen to assist in its efforts to improve the capacity of its CT forces and we have seen an improved performance of those CT forces in recent months.

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1. The Christmas Day bombing was a shocking event to us all, primarily because it demonstrated these AQAP (Al Qaeda in the Arabian Peninsula) operatives have the ability to act not only outside the borders of Yemen, but beyond the Arabian Peninsula. I would like to know your thoughts on who is providing the hardware to carry out these attacks and how closely this Al Qaeda faction is associated with the Al Qaeda leadership in the AfPak region. Do you think they can maintain a long-term ability to threaten U.S. homeland security?

Answer:

The Christmas Day bombing is the first time an al-Qaeda organization not based in Afghanistan/Pakistan has successfully targeted a U.S. domestic target. This fact should not be discounted. AQAP has increasingly mounted attacks against targets within Yemen, regionally (in Saudi Arabia), and internationally. As long as AQAP has the space to operate within Yemen, it will continue to pose a threat to American interests—at home and abroad.

The resurgent al-Qaeda organization based in Yemen (AQAP) does not appear to have a direct command and control relationship with al-Qaeda based in Af/Pak. AQAP appears to be operating largely independently and is mostly self-sufficient within Yemen. According to the organization's statements, they indigenously developed the technology used on Christmas Day and against Saudi Prince Mohammed bin Nayef in August 2009.

2. I understand that in recent months, the Yemeni military has increased operations against AQAP (Al Qaeda Arabian Peninsula). How effective are these air strikes and ground operations at disrupting the organization's activities and dismantling senior leadership? How can the United States best support these efforts?

Answer:

Since mid-December 2009, the Yemeni government (in cooperation with the United States) has launched several operations against AQAP targets. Taking the offensive to AQAP through targeted operations helps to deny the organization the time, space, and ability to plot, plan, and prepare operations. These operations have in part put the organization on the defensive. A number of believed militants have been killed, and it is thought that the fear of attack has forced the senior leadership to exercise greater operational security. This has had the effect of disrupting the organization's activities—such as the publication of their online journal *Sada al-Malahim*—although admittedly this is very difficult to quantify.

The United States can best aid the Yemeni government in its counter-terrorism operations through support, training, and assistance. It is vital that the Yemeni government take the lead in all military operations against AQAP—if not in fact, then at least in perception. If the United States engages in publicly-acknowledged unilateral military operations it will prove very unpopular in Yemen. This would likely encourage the Yemeni government to withhold counter-terrorism (CT) cooperation due to public pressure and fuel the grievances that give rise to al-Qaeda militancy.

3. Corruption continues to be a significant problem when providing humanitarian and development assistance to Yemen. Given the significant increase in U.S. foreign aid to Yemen, how can we ensure the money is getting into the right hands and helping the country increase its security and provide opportunities for socio-economic development?

Answer:

Corruption is a major problem in Yemen, and it affects nearly all aspects of government, not just foreign assistance. The United States must have a very serious and ongoing discussion with the Yemeni government about corruption and governance issues. This must be done in concert and coordination with all other international partners. The Yemeni government must not be given the space to play one donor off of another. Sanaa must understand that the manner in which the Yemeni regime has governed thus far cannot continue because it jeopardizes American, regional, and international security and stability.

Addressing these issues must be a priority in US-Yemeni discussions; the relationship cannot focus on purely CT issues alone. Corruption and governance issues have a serious effect throughout Yemen, and they impact Yemen's security and stability. Sanaa must hear—and understand and accept—that Washington and the international community will support Yemen as it addresses these issues.

4. While it is important for the United States to provide foreign assistance for the development activities, we cannot get embroiled in the internal fighting currently underway. What roles can other countries such as Saudi Arabia and Qatar and organizations such as the League of Arab States play to ensure Yemen does not dissolve into a failed state?

Answer:

Saudi Arabia is the biggest actor in Yemen. Any international policy or strategy on Yemen will need to involve very close cooperation with Riyadh. U.S., European, and Saudi initial objectives vis-à-vis Yemen are very similar: all would like to see a stable and secure Yemen that is not a threat to its neighbors. At some point they will diverge, and it is essential that the United States stay very active in overseeing its own policy toward Yemen and its challenges.

Ultimately, what Riyadh would like to see in Yemen is very likely different from what either the U.S. or Europe would like to see. How Saudi Arabia will likely go about achieving its

own policies will also likely diverge from American policy implementation. It would be a very serious error to simply consign U.S. Yemen policy over to the Saudis.

There is a direct and ongoing imperative for the United States to take an active role in addressing the sources of instability in Yemen, including: economic collapse, food insecurity, unemployment, illiteracy, and corruption. It would be a grave mistake to presume that such involvement equates to direct involvement in Yemen's ongoing security challenges, such as the war in Saada and the southern secessionist movement.

5. Reports indicate that the Yemeni American cleric, Shaykh Anwar al-Awlaki, had close contact with both U.S. Army Major Nidal Hassan, responsible for the deaths of 13 soldiers at Fort Hood, Texas, as well as Omar al Farooq Abdullmutallab, the Christmas Day bomber. How much influence does this one cleric have and how closely are we monitoring his activities and the messages he is putting forth?

Answer:

Shaykh Anwar al-Awlaki is an important factor in Islamist militancy and activism in Yemen. In my personal opinion, his native English language facility expands his potential audience. Arabic language skills are not required to access his sermons, and he (and others like him) are thus able to reach a greater audience. For those listeners already inclined, his sermons can prove very influential. He is a powerful speaker, can be very convincing, and his use of Arabic terms has the effect of boosting his credibility with western audiences.

While Shaykh Anwar is an important figure, he is not the most influential figure in AQAP or Yemen. Some analyses have cast doubts on the exact formal nature of his relationship with AQAP. I would be happy to elaborate in person.

I am not able to comment on the U.S. government's monitoring of Shaykh Anwar. An official U.S. government spokesperson can comment on the efforts of the American government in this regard.

6. With the encouragement of Congress, the administration recently decided to suspend the transfer of detainees from Guantanamo Bay, Cuba, to Yemen. As of today, over 90 Yemeni detainees remain in Guantanamo Bay. In the past, the Yemeni government proved unable to effectively de-radicalize these individuals and several former detainees are reportedly among the senior leadership of AQAP (Al Qaeda Arabian Peninsula). Has the Yemeni government made any positive progress towards developing the capability to deal with these individuals?

Answer:

Disengagement and reintegration programs for former Guantanamo detainees can best be described as counter-radicalization efforts, and not de-radicalization efforts. This is an important distinction. The larger idea behind such programs is to manage risk associated with release and

lessen the likelihood of an individual re-offending. They are not primarily aimed at changing a person's beliefs.

Thus far, only approximately 20 Yemeni nationals have been repatriated. To the best of my knowledge, only one former Yemeni national has allegedly reengaged with al-Qaeda (he reportedly was killed in a recent counter-terrorism strike). The senior leadership of AQAP involves several former Saudi Guantanamo detainees, including Said al-Shihri and Ibrahim al-Rubeish, It is currently believed that there are eight Saudi former detainees hiding in Yemen; a total of 120 Saudi nationals have been repatriated from Guantanamo. In total (according to my most recent data), 26 of 120 Saudi former Guantanamo detainees are either in custody, wanted, or have been killed in security incidents.

Despite repeated statements that the Yemeni government would create a program for former Guantanamo detainees, there has been no progress on this issue. The Yemeni government has not produced much detail about the planned program, curriculum, or instructors. Furthermore, as long as there are no more Yemenis being sent back, the program is not much of a priority for the Yemeni government. Furthermore, it is unclear how strongly the Yemeni government wants its nationals held at Guantanamo to be repatriated back to Yemen and to Yemeni custody.

Congressman Michael T. McCaul
House Committee on Foreign Affairs Hearing on
"Yemen on the Brink: Implications for U.S. Policy"
Wednesday, February 3, 2010
Questions for the Record

Response from Mr. Jonathan Schanzer, Vice President for Research, Foundation for Defense of Democracies

1. The Christmas Day bombing was a shocking event to us all, primarily because it demonstrated these AQAP (Al Qaeda Arabian Peninsula) operatives have the ability to act not only outside the borders of Yemen, but beyond the Arabian Peninsula. I would like to know your thoughts on who is providing the hardware to carry out these attacks and how closely this Al Qaeda faction is associated with the Al Qaeda leadership in the AfPak region. Do you think they can maintain a long-term ability to threaten U.S. homeland security?

Answer:

Yemen has long had one of largest unregulated arms markets in the Middle East, if not the world. As long as Yemen remains an easy place to procure these arms, AQAP will have not problem getting its hands on light weapons or even more dangerous explosives

As for the ties between AQAP and al-Qaeda's leadership, the answer lies in the very nature of AQAP as an affiliate group. To be an affiliate is to be a semi-autonomous node of the al-Qaeda network. Thus, AQAP has nominal ties to the al-Qaeda core, but can operate very independently of it on a local level. The dangers of this type of relationship can be seen when the al-Qaeda core seeks to enlist the existing network in Yemen for a global operation. This was essentially the case of the Christmas Day bombing of 2009.

2. I understand that in recent months, the Yemeni military has increased operations against AQAP (Al Qaeda Arabian Peninsula). How effective are these air strikes and ground operations at disrupting the organization's activities and dismantling senior leadership? How can the United States best support these efforts?

Answer:

In the aftermath of the Christmas Day plot, U.S. military and intelligence personnel reportedly took part in several secret joint operations with Yemen. The result was the elimination of at least six of AQAP's top leaders. This undoubtedly has inhibited AQAP's operations.

The U.S. can continue to support these operations with intelligence, logistics, training, and guidance. At the same time, however, it must make sure to not be seen as the driving force behind these operations. Rather, it should play a quiet, secondary role. There is not need for the Yemeni people to view the U.S. as the primary actor in operations that ultimately kill or capture Yemenis.

This is not to say that Washington should allow Yemen to call the shots. The Yemenis, when left on their own, have failed to maintain a rigorous counterterrorism program. U.S. oversight will be critical in keeping the Yemenis focused on the task at hand: neutralizing the terrorist threat.

3. Corruption continues to be a significant problem when providing humanitarian and development assistance to Yemen. Given the significant increase in U.S. foreign aid to Yemen, how can we ensure the money is getting into the right hands and helping the country increase its security and provide opportunities for socio-economic development?

Answer:

It is my strong belief that Yemen undoubtedly needs our help. However, upping our aid to Yemen is ill-advised without a schedule of deliverables and meaningful milestones. We should create an arrangement whereby Yemen earns our aid through a series of very specific achievements – in the areas of both security and reform. Failure to achieve specified results should result in withholding of aid.

4. While it is important for the United States to provide foreign assistance for the development activities, we cannot get embroiled in the internal fighting currently underway. What roles can other countries such as Saudi Arabia and Qatar and organizations such as the League of Arab States play to ensure Yemen does not dissolve into a failed state?

Answer:

There is a very low likelihood that the government of Yemen would trust the Saudis. There is a long-standing enmity between these two states. Some of the other Gulf states might have more luck, but they lack the requisite strength or international standing to be effective.

In an attempt to think outside of the box, organizations such as the Arab League or even the Organization of the Islamic Conference (OIC) could play an important role. However, neither the Arab League nor the OIC have a very good track record in this area. Too often these entities have either failed to help a situation or even made things worse.

5. Reports indicate that the Yemeni American cleric, Shaykh Anwar al-Awlaki, had close contact with both U.S. Army Major Nidal Hassan, responsible for the deaths of 13 soldiers at Fort Hood, Texas, as well as Omar al Farooq Abdullmutallab, the Christmas

Day bomber. How much influence does this one cleric have and how closely are we monitoring his activities and the messages he is putting forth?

Answer:

Anwar al-Awlaki is undoubtedly a dangerous figure in Yemen. He ranks among the more prominent figures in al-Qaeda's efforts to incite American Muslims to commit terrorist acts. Indeed, the 9/11 Commission Report attached great importance to his activities as a jihadist ideologue. U.S. government agencies, not to mention a great many independent terrorism analysts, have been monitoring his activities for some time.

6. With the encouragement of Congress, the administration recently decided to suspend the transfer of detainees from Guantanamo Bay, Cuba, to Yemen. As of today, over 90 Yemeni detainees remain in Guantanamo Bay. In the past, the Yemeni government proved unable to effectively de-radicalize these individuals and several former detainees are reportedly among the senior leadership of AQAP (Al Qaeda Arabian Peninsula). Has the Yemeni government made any positive progress towards developing the capability to deal with these individuals?

Answer:

The Yemeni government has failed to de-radicalize the jihadists it has detained. There were indications in 2004 and 2005 that the government was making some headway, but those efforts ultimately failed. The government began releasing jihadists from jail with little more than a promise from these individuals that they would not return to violence. Many of them, however, did return to violence. Yemenis soon became a large component of the Iraq insurgency, and the jihadi infrastructure in Yemen, itself, also grew.

In short, Washington should not take seriously any claims by the Yemeni government that its de-radicalization efforts have succeeded.

Congressman Michael T. McCaul
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Questions for the Record

Response from Mr. Leslie Campbell, Senior Associate & Regional Director for the Middle East and North Africa, The National Democratic Institute

1. The Christmas Day bombing was a shocking event to us all, primarily because it demonstrated these AQAP (Al Qaeda Arabian Peninsula) operatives have the ability to act not only outside the borders of Yemen, but beyond the Arabian Peninsula. I would like to know your thoughts on who is providing the hardware to carry out these attacks and how closely this Al Qaeda faction is associated with the Al Qaeda leadership in the AfPak region. Do you think they can maintain a long-term ability to threaten U.S. homeland security?

Answer:

Mr. Campbell notes that this question falls outside his area of expertise.

2. I understand that in recent months, the Yemeni military has increased operations against AQAP (Al Qaeda Arabian Peninsula). How effective are these air strikes and ground operations at disrupting the organization's activities and dismantling senior leadership? How can the United States best support these efforts?

Answer:

Mr. Campbell notes that this question falls outside his area of expertise.

3. Corruption continues to be a significant problem when providing humanitarian and development assistance to Yemen. Given the significant increase in U.S. foreign aid to Yemen, how can we ensure the money is getting into the right hands and helping the country increase its security and provide opportunities for socio-economic development?

Answer:

There should be strict oversight of the increased aid to Yemen – through the Embassy, USAID and other means. Some of the aid, particularly that slated for political and governance reform and civil society development, should be delivered through U.S. NGOs to ensure that all groups of all political persuasions are included in programs.

4. While it is important for the United States to provide foreign assistance for the development activities, we cannot get embroiled in the internal fighting currently underway. What roles can other countries such as Saudi Arabia and Qatar and organizations such as the League of Arab States play to ensure Yemen does not dissolve into a failed state?

Answer:

Mr. Campbell notes that this question falls outside his area of expertise.

5. Reports indicate that the Yemeni American cleric, Shaykh Anwar al-Awlaki, had close contact with both U.S. Army Major Nidal Hassan, responsible for the deaths of 13 soldiers at Fort Hood, Texas, as well as Omar al Farooq Abdullmutallab, the Christmas Day bomber. How much influence does this one cleric have and how closely are we monitoring his activities and the messages he is putting forth?

Answer:

Mr. Campbell notes that this question falls outside his area of expertise.

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Answer:

Mr. Campbell notes that this question falls outside his area of expertise.

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Questions for the Record

Response from Mr. Bruce Riedel, Senior Fellow, Saban Center for Middle East Policy, The Brookings Institution

1. The Christmas Day bombing was a shocking event to us all, primarily because it demonstrated these AQAP (Al Qaeda Arabian Peninsula) operatives have the ability to act not only outside the borders of Yemen, but beyond the Arabian Peninsula. I would like to know your thoughts on who is providing the hardware to carry out these attacks and how closely this Al Qaeda faction is associated with the Al Qaeda leadership in the AfPak region. Do you think they can maintain a long-term ability to threaten U.S. homeland security?

Answer:

Al Qaeda in the Arabian Peninsula was formed at the direction of the al Qaeda leadership, especially Usama bin Laden, in Pakistan and Afghanistan. AQAP takes its broad strategic direction from bin Laden and the al Qaeda core leadership. AQAP has publicly given bin Laden credit for the Christmas day plot.

2. While it is important for the United States to provide foreign assistance for the development activities, we cannot get embroiled in the internal fighting currently underway. What roles can other countries such as Saudi Arabia and Qatar and organizations such as the League of Arab States play to ensure Yemen does not dissolve into a failed state?

Answer:

The threat posed by an unstable Yemen or worse a failed state in Yemen is much greater to the other countries on the Arabian Peninsula than it is to the United States. Yemen is their back yard. US diplomacy should seek to harness the help of the wealthy states of the GCC like Saudi Arabia, Qatar and the UAE to help stabilize Yemen both politically and economically.

3. With the encouragement of Congress, the administration recently decided to suspend the transfer of detainees from Guantanamo Bay, Cuba, to Yemen. As of today, over 90 Yemeni detainees remain in Guantanamo Bay. In the past, the Yemeni government proved unable to effectively de-radicalize these individuals and several former detainees are reportedly among the senior leadership of AQAP (Al Qaeda Arabian Peninsula). Has the Yemeni government made any positive progress towards developing the capability to deal with these individuals?

Answer:

Not to my knowledge. The Yemeni government has not been able to do so.

Congresswoman Barbara Lee
House Committee on Foreign Affairs Hearing on
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Questions for the Record

Response from the Honorable Jeffrey D. Feltman, Assistant Secretary, Bureau of Near Eastern Affairs, U.S. Department of State, and the Honorable Robert F. Godec, Principal Deputy Coordinator for Counterterrorism, Office of the Coordinator for Counterterrorism, U.S. Department of State

Question 1:

Authorization for Use of Force
Has the Administration established a clear authorization for the Use of Military Force in Yemen?

Answer:

Congress passed the 2001 Authorization for Use of Military Force (AUMF) on September 18, 2001. The AUMF provides that "the President is authorized to use all necessary and appropriate force against those nations, organizations, or persons he determines planned, authorized, committed, or aided the terrorist attacks that occurred on September 11, 2001, or harbored such organizations or persons, in order to prevent any future acts of international terrorism against the United States by such nations, organizations or persons." This includes the use of force against members of al Qaeda, the Taliban, and associated forces.

Question 2:

Is the Administration considering the possibility of sending U.S. military forces to Yemen?

Answer:

As Chairman of the Joint Chiefs Mullen and President Obama have noted, we have no plans to put boots on the ground in Yemen. The U.S. and Yemen have and will continue to intensify cooperation on counterterrorism to address the growing threat of al-Qaeda in the Arabian Peninsula. Our strategy is focused on empowering the people of Yemen by expanding effective governance in the country to ensure Yemen's long-term security and sustainable development. The United States will provide assistance and support, but Yemen is a sovereign nation responsible for its own development and security.

The U.S. provides training and assistance to Yemen's Central Security Forces (CSF) and other services called upon to engage in counter-terrorism operations. Through

Diplomatic Security Antiterrorism Assistance (DS/ATA) programs we provide training to security forces in the Ministry of Interior, including the Yemeni Coast Guard and the Central Security Force's Counterterrorism Unit (CTU).

Question 3:

If such a scenario were to occur, would the Administration seek a specific Authorization for the Use of Military Force in Yemen from Congress?

Answer:

Both President Obama and Chairman Mullen have stated that the U.S. has no plans to place American combat troops on the ground in Yemen.

Question 4:

Aid Balance
I am struck by the enormous development challenges faced by Yemen, which suffers from widespread illiteracy and unemployment, high population growth, and a dwindling water supply.

In the past, dissatisfied tribal groups have carried out kidnappings of Yemeni officials and foreign tourists just to press for infrastructure projects for their districts. With that in mind, I had a few questions regarding President Obama's FY 2011 Budget request.

Ambassador Feltman, separate from the significant proposed increase in funding aimed at building Yemen's military and counterterrorism capacity, in other words, security assistance, can you elaborate on President Obama's FY 2011 request for economic support funds (ESF) and the Development Assistance (DA)? Under the President's request, the overall funding across these two categories would decrease by $6 million from FY 2010.

Answer:

President Obama has recognized the need to intensify our efforts in Yemen, as is reflected in our FY2010 budget for programming in Yemen. In FY 2009, U.S. development and security assistance to Yemen totaled $40.3 million. Although final determinations have yet to be made, we expect total FY 2010 assistance to be at least $63 million. This amount represents a 56 percent increase over FY 2009 and 225 percent increase over FY 2008 levels. *(This figure does not include approximately $67 million in 1206 funds for FY2009).*

FY 2011 development assistance has not decreased as compared to FY 2010. When the Global Health and Child Survival program ($21 million) is added to the FY 2011 ESF ($34 million) request, the total package represents an increase of $7 million over the budget requests for FY 2010 and is generally representative of our overall process of ramping up assistance to Yemen in recent years.

Question 5:

Why are we not prioritizing, on at least an equal scale to the proposed increases in security assistance, the expansion of programs to improve living conditions for the people of Yemen and build the Yemeni government's capacity to provide services to its people as a long-term strategy for reducing the root causes of terrorism and the persistence of instability?

Answer:

The United States is expanding aid programs to improve living conditions in Yemen. Our long-term strategy for assisting Yemen is to help the government better deliver services to its people. Building the capacity of a government like Yemen to operate and deliver services throughout its territory allows it to better prevent al-Qaeda from establishing a lasting presence, while simultaneously increasing the government's capacity to improve the lives of the Yemeni people.

For these reasons, a number of efforts are currently underway to increase the effectiveness of aid to Yemen. We are seeking to stabilize the country through a variety of training and development programs to improve governance, defense, and counter terrorism forces' capabilities, as well as maritime and border security. We also reached a renewed consensus with the international community at the recent meeting on Yemen in London. Yemen's Gulf neighbours in particular, will work with Yemen to help address the country's confluence of developmental problems by helping Yemen improve its capacity and capabilities. Through these efforts, we intend to change the underlying conditions that make Yemen a fertile breeding ground for Al-Qaeda.

Question 6:

Al Qaeda Presence
What are our current estimates for the number of active members of Al Qaeda residing in Yemen, Afghanistan, Pakistan and Somalia?

Answer:

Precise numbers for al-Qa'ida (AQ) members are difficult to assess. In Afghanistan, we estimate that there are fewer than one hundred active members of AQ, however just across the border in the FATA region of Pakistan, we believe that there may be several hundred. In Somalia, we assess that there are fewer than a dozen active AQ members, while in Yemen, we believe that there could be as many as several hundred.

Question 7:

Internal Stability/Diplomacy
Can you also speak to the relative importance of diplomatic efforts to ease tensions related to both the Northern and Southern conflicts in the context of efforts to stabilize the country and avoid a "failed state" scenario? Can the United States expect to eliminate the presence of Al Qaeda in Yemen without a resolution to these conflicts?

Answer:

The challenges Yemenis face – a growing al-Qaeda presence, the conflict with Houthi rebels in the north, the secessionist movement in the south, a deteriorating human rights situation, chronic underdevelopment, depleting oil resources, etc. – are all significant and interrelated. We are pursuing a comprehensive strategy to address all of these concerns. Certainly the Houthi rebellion and the southern secessionist movement have the potential to distract the government from the al-Qaeda threat, which is one reason the U.S. supports political solutions to both issues. Ultimately, addressing the threat of al-Qaeda requires addressing the legitimate grievances of the people of Yemen to make the country less of a fertile breeding ground. This is not just in the U.S. national security interest, but in Yemen's interest as well.

The United States remains encouraged by Yemen's demonstrated willingness to take action against al-Qaeda and other extremist groups, especially over the last year, following a number of terrorist attacks. Recent successful counterterrorism operations conducted by Yemeni security forces have led to the arrest of several al-Qaeda leaders. Yemeni security forces have killed or captured numerous al-Qaeda suspects, disrupted foreign fighter facilitation networks for Iraq, and prosecuted perpetrators of terrorist acts. We strongly support Yemeni actions against al-Qaeda in the Arabian Peninsula (AQAP), which poses a serious terrorist threat to Yemeni, U.S., and regional interests.

As Secretary Clinton has said, we will work together with the international community to encourage the government of Yemen to take steps that will lead to sustainable peace and stability for the people of Yemen and the region. The international community has made it clear to Yemen that we expect the government itself to take actions to improve peace and stability.

Question 8:

What steps are we taking to ensure United States and international military assistance is not simply used to consolidate President Saleh's power relative to internal rivals, with efforts to root out Al Qaeda as a secondary priority?

Answer:

Every indication is that the government of Yemen is taking active steps to combat terrorism and we look forward to increasing our cooperation with them in this regard. The government and its security forces do face significant operational limitations and we

are providing assistance to discrete counterterrorism units so that they are better able to take the fight to al-Qaeda.

At the same time, we are working with Yemeni civil society to strengthen good governance and the rule of law, improve internal stability, and empower all Yemenis to build a more participatory, pluralistic, and prosperous society. The State Department's Middle East Partnership Initiative (MEPI), for example, has 26 active projects in Yemen and operates directly in more than 14 Yemeni governorates.

Question 9:

U.S. Military Action/Drone Stikes
It is my understanding the Al Qaeda elements linked to the foiled Christmas Day attack have cited U.S. military actions and alleged drone strikes in Pakistan, Afghanistan, and elsewhere including the Arabian Peninsula, as a pretext for the plot.

In your opinion, does U.S. foreign policy in Afghanistan and Iraq contribute to recruitment by extremist elements in Yemen, and the persistence of anti-American sentiment in the region?

Answer:

We have found that if terrorist groups are not defending territory, they will move around. What we have to ensure is that, wherever they move, those countries have the capability to deal with the threat and that we are sharing intelligence with host government officials so that they can go after the terrorists wherever they may be, and that we can keep terrorists from traveling with impunity. So it's a multi-dimensional challenge, and it's one that we're working on every day.

As elements of al-Qaeda have appeared in increasing numbers in Yemen, the United States is committed to meeting this new threat with the same tenacity it has shown against al-Qaeda elsewhere. As President Obama stated on January 5, "As these violent extremists pursue new havens, we intend to target al-Qaeda wherever they take root, forging new partnerships to deny them safe haven, as we are doing currently with the government in Yemen. As our adversaries seek new recruits, we'll constantly review and rapidly update our intelligence and our institutions. As they refine their tactics, we'll enhance our defenses, including smarter screening and security at airports, and investing in the technologies that might have detected the kind of explosives used on Christmas."

Question 10:

How does the Yemeni public view the direct involvement the United States in Yemen with overt military assistance, particularly reports of U.S. collaboration in forward military operations and drone strikes?

Answer:

We have a proactive public diplomacy strategy in Yemen to get out our message of supporting the Yemeni people, helping the Yemeni government improve service delivery, and helping the country secure its borders and protect its citizenry from transnational crime and terrorism.

The sensitivity of public opinion is one of the motivators for pursuing a strategy that builds the Yemeni government's ability to provide services and security to its own people. As Secretary Clinton noted after the meeting in London on January 27, "we reiterate support for a unified Yemen, respect for its sovereignty and independence, and a commitment to the non-interference in Yemen's internal affairs. It is not only, from our perspective, the appropriate approach to take, but we think it's a more effective approach, because ultimately, the future of Yemen is up to the Yemenis themselves, and therefore the Yemenis have to manage and solve their own problems. Where we can be of assistance, we offer to do so."

Question 11:

International Conference
I feel strongly that garnering international and regional support for stabilization, diplomatic, and development efforts in Yemen will be critical to ensuring their long-term success, as well as to protecting against propaganda campaigns painting pictures of Western interference. I was pleased to hear that the International Conference on Yemen held on January 27, 2010, was attended by delegates from more than twenty countries and several multilateral institutions:

Are reports accurate claiming the Arab League was not invited to the conference? What specific steps is the Administration taking to pursue and sustain regional cooperation from the Arab Gulf States?

Answer:

The Arab League was not invited to the January 27 meeting. A number of Arab League member states were present, and the assembled group agreed to assist Yemen in its political and economic reforms. We are working withYemen's Gulf neighbours in particular to help address the country's confluence of developmental problems through improving capacity and capabilities. The Gulf Cooperation Council Secretary General will host a meeting of Gulf and other partners of Yemen in Riyadh on 27-28 February. This meeting will share analysis on the barriers to effective aid in Yemen, leading to a joint dialogue with the government of Yemen, including on priority reforms.

In London, the international community also agreed to provide the technical assistance and political backing to Yemen's discussion of an IMF program. This will provide welcome support and help the government to confront immediate challenges while also paving the way for necessary economic reforms.

Finally, the group agreed at the meeting to launch of a 'Friends of Yemen' process, which will follow-up on the conclusions developed in London and provide

lasting engagement with and assistance to Yemen to address the broad range of challenges facing the country. The Government of Yemen and the group of Friends will discuss ways and means of implementing Yemen's National Reform Agenda, including through two working groups on economy and governance; and justice and rule of law.

Question 12:

Have any guarantees or commitments been made by Gulf State nations, particularly those in the Gulf Cooperation Council (GCC)?

Answer:

We are looking forward to the Gulf Cooperation Council's meeting of Gulf and other partners of Yemen in Riyadh on 27-28 February. This meeting will share analysis on the barriers to effective aid in Yemen, leading to a joint dialogue with the government of Yemen, including on priority reforms. Saudi Arabia and other Gulf States continue to play an important role in supporting Yemen, and are working with all of Yemen's international partners to better coordinate foreign assistance and to make sure that it has an impact on the ground.

Question 13:

Can you provide me with the details of the three-year umbrella assistance agreement between the Government of Yemen and the United States, including any specific development or security assistance commitments?

Does this agreement incorporate any measures to address corruption, democracy, and human rights issues?

Answer:

The United States Agency for International Development (USAID) signed a $121 million agreement in September 2009 with the Government of Yemen, which will guide USAID's cooperation over the next three years, including targeting resources to local communities where instability and weak security have limited the effectiveness of development projects.

As a part of its new strategy in Yemen, USAID will focus on increasing youth employment and other economic opportunities; improving government service delivery in education and health care; supporting transparent, decentralized governance; developing new agricultural programs; and empowering youth, women and other marginalized groups.

USAID's programs will be combined with a very rigorous monitoring and evaluation process to test if development interventions impact community stability.

Under this strategy, USAID has designed two new flagship programs to implement its new country stabilization strategy: Community Livelihoods and National Governance.

The *Community Livelihoods Program* will improve the delivery of basic services, increase economic productivity, and increase community participation using specially tailored interventions in highly vulnerable areas. These interventions will utilize USAID's expertise in the areas of health, education, economic growth, agriculture, and democracy and governance. The program will be flexible in its responses to the different drivers of instability in each area of operation. A rapid response capability will be combined with longer-term development approaches. For example, a clinic might be repaired but elected local councilors will also be trained to identify, budget, plan and oversee similar development projects in response to community demands.

The National Governance Program will work with Yemen's Ministries of Health, Education, Agriculture and their Small and Medium Enterprise Promotion Service to address related but broader government policy, institutional and capacity issues that will include the following:

1) Strengthening policy formation and implementation, 2) Increasing transparency and anti-corruption, 3) Improving decentralization of planning, budgeting and service delivery, 4) Enhancing civil society's ability to influence policy implementation.

In addition, through the State Department's Office of the Middle East Partnership Initiative (MEPI), U.S. diplomats in Yemen build partnerships with non-governmental organizations, civil society, the private sector, academic institutions, and the Yemeni government, that are essential to the development of an inclusive democratic process. Through these local partnerships, MEPI's projects support a responsible, independent media, full electoral participation by women, responsible and representative political parties, effective and robust non-governmental organizations, and responsive education and private sectors.

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Questions for the Record

Response from Christopher Boucek, Ph.D., Associate, Middle East Program,
Carnegie Endowment for International Peace

1. I am struck by the enormous development challenges faced by Yemen, which suffers from widespread illiteracy and unemployment, high population growth, and a dwindling water supply. In the past, dissatisfied tribal groups have carried out kidnappings of Yemeni officials and foreign tourists just to press for infrastructure projects for their districts. What is the ideal balance between United States economic and development assistance versus security assistance to Yemen? Should the expansion of programs to improve living conditions for the people of Yemen and build the Yemeni government's capacity to provide services to its people as a long-term strategy for reducing the root causes of terrorism and the persistence of instability be the primary focus of our assistance?

Answer:

Current funding requests for Yemen place security assistance (~$150m) at three-times that of development assistance (~$50m). In my opinion, this allocation will not properly address the long-term sources of instability in Yemen. Yemen is a country of crushing poverty, where much of the population does not receive government services. While there is an immediate counter-terrorism imperative to eliminate the al-Qaeda in the Arabian Peninsula (AQAP) leadership and infrastructure active in the country, this must be a small component within a larger, overall American strategy. Improving the Yemeni government's credibility and capacity to provide basic human services must be a first order priority.

2. What are the current estimates for the number of active members of Al Qaeda residing in Yemen, Afghanistan, Pakistan and Somalia?

Answer:

In the first panel of testimony, government witnesses cited recent statements of Yemeni Foreign Minister Abu Baker al-Qirbi. According to their testimony, Dr. al-Qirbi has claimed that there are roughly 300 currently active al-Qaeda operatives in Yemen.

3. Can you also speak to the relative importance of diplomatic efforts to ease tensions related to both the Northern and Southern conflicts in the context of efforts to stabilize the

country and avoid a "failed state" scenario? Can the United States expect to eliminate the presence of Al Qaeda in Yemen without a resolution to these conflicts?

Answer:

Al-Qaeda in the Arabian Peninsula (AQAP) is but one manifestation of a number of systemic challenges in Yemen. Security and stability in Yemen will require dedicated and enduring diplomacy to resolve the Southern secessionist movement, as well as the ongoing conflict in Saada. Yemen is not yet a 'failed state' and it will require sustained and dedicated effort to prevent the further deterioration of conditions in Yemen. These conflicts must be addressed, as must the dire economic and social conditions in the country.

4. What steps can the United States take to ensure international military assistance is not simply used to consolidate President Saleh's power relative to internal rivals, with efforts to root out Al Qaeda as a secondary priority?

Answer:

The United States—in coordination with the international community—will need to speak consistently with one voice on Yemen and in all interactions with the Yemeni government. Collectively, all foreign actors will need to stress that counter-terrorism and counter-extremism efforts must be a priority of the Yemeni government. The Yemeni government will need help and assistance in taking action against AQAP. It is important to stress that the Yemeni government must take the lead in this effort. Direct and attributable American or western intervention will only worsen conditions.

The military and security services are not the strongest institutions in Yemen, and it would be a mistake to make them the strongest. American assistance to help Yemen combat terrorism and extremism is vital. This is should be coupled with efforts to help improve and professionalize the police service, prison service, and intelligence apparatuses. Carte blanche military assistance will not improve the security and stability of Yemen and it will very likely exacerbate existing grievances.

5. It is my understanding the Al Qaeda elements linked to the foiled Christmas Day attack have cited U.S. military actions and alleged drone strikes in Pakistan, Afghanistan, and elsewhere including the Arabian Peninsula, as a pretext for the plot. In your opinion, does U.S. foreign policy in Afghanistan and Iraq contribute to recruitment by extremist elements in Yemen, and the persistence of anti- American sentiment in the region?

Answer:

Broadly speaking, American foreign policy (and the interpretations and misperceptions of U.S. policy) fuels anti-American sentiment throughout the region. Yemen is no exception; however, this is not the sole cause of Islamist militancy in the country. There is a long history of Islamist militancy and violent extremism in Yemen. Furthermore, there is also a wide spectrum

of Islamist actors in the country, and violent al-Qaeda style terrorism is only a small component of this spectrum.

6. How does the Yemeni public view the direct involvement of the United States in Yemen with overt military assistance, particularly reports of U.S. collaboration in forward military operations and drone strikes?

Answer:

The idea of direct American military involvement in Yemen is very unpopular in Yemen. There is already much suspicion of American military intentions, and Washington must be very careful in how it handles this situation. The United States can be helpful in assisting the Yemeni government in taking on AQAP, however, it must also be careful not to undermine the Yemeni government by appearing to infringe on Yemeni sovereignty or to further fuel grievances against the Yemeni government.

Congresswoman Barbara Lee
House Committee on Foreign Affairs Hearing on
"Yemen on the Brink: Implications for U.S. Policy"
Wednesday, February 3, 2010
Questions for the Record

Response from Mr. Jonathan Schanzer, Vice President for Research, Foundation for Defense of Democracies

Question 1:

Aid Balance
I am struck by the enormous development challenges faced by Yemen, which suffers from widespread illiteracy and unemployment, high population growth, and a dwindling water supply.

In the past, dissatisfied tribal groups have carried out kidnappings of Yemeni officials and foreign tourists just to press for infrastructure projects for their districts.

Answer:

Yemen faces a huge number of serious social and economic challenges. Many of them are inherited. However, some of them could be mitigated by a reduction in the usage of the mild narcotic leaf known as Qat. While Qat is not physically addictive or even harmful to the body, the cultivation of the plant eats up a great deal of Yemen's potable water supply, which exacerbates the water crisis Yemen now faces. Moreover, the chewing of Qat is a social activity which often takes up an entire afternoon. This has led to a decline in productivity.

As for the kidnappings, the problem is less severe than it was in the 1990s. However, the threat still exists in some of Yemen's more lawless regions. In the past, those kidnappings were a means of gaining leverage to make demands on the central government for resources, as you suggest.

Question 2:

What is the ideal balance between United States economic and development assistance versus security assistance to Yemen? Should the expansion of programs to improve living conditions for the people of Yemen and build the Yemeni government's capacity to provide services to its people as a long-term strategy for reducing the root causes of terrorism and the persistence of instability be the primary focus of our assistance?

Answer:

I am of the opinion that any assistance we provide, whether economic or security, should be accompanied by aid specifically designed to help further Yemeni political

reform. Political reform, if done right, will help the Yemeni government make better decisions about the allocation of resources. Yemen's current economic malaise is certainly a product of the land it inhabits, but it is also the product of an authoritarian government that does not truly answer to its people.

Question 3:

Al Qaeda Presence
What are the current estimates for the number of active members of Al Qaeda residing in Yemen, Afghanistan, Pakistan and Somalia?

Answer:

I am no longer a member of the U.S. intelligence community, so I do not have reliable figures at my disposal. From what I understand, there are "several hundred" members of al-Qaeda in Yemen at this time.

Question 4:

Internal Stability/Diplomacy
Can you also speak to the relative importance of diplomatic efforts to ease tensions related to both the Northern and Southern conflicts in the context of efforts to stabilize the country and avoid a "failed state" scenario? Can the United States expect to eliminate the presence of Al Qaeda in Yemen without a resolution to these conflicts?

Answer:

The U.S. Government should continue to push for diplomatic solutions to both conflicts. In the case of the Houthi rebellion in the North, diplomacy has helped achieve a level of calm, albeit an uneasy one. The secessionist movement in the South will be harder to contain through diplomacy without real concessions on the part of Sanaa, which are not forthcoming at this time.

Still, I believe that al-Qaeda of the Arabian Peninsula (AQAP) be contained without the peaceful resolution of either conflict. However, I must stress that complete elimination of the group may not be realistic.

Due to the fact that al-Qaeda affiliate groups are largely local and organic, it is extremely difficult to completely eliminate them altogether. However, they can be severely weakened. In Yemen, the recent increase counterterrorism operations has already diminished the strength of AQAP. In the past two months, U.S. military and intelligence personnel launched several secret joint operations with Yemen, resulting in the killing or capture of several top AQAP's leaders. Continued operations will severely weaken the group. This must be our goal.

Question 5:

What steps can the United States take to ensure international military assistance is not simply used to consolidate President Saleh's power relative to internal rivals, with efforts to root out Al Qaeda as a secondary priority?

Answer:

Whenever the U.S. furnishes assistance to countries in the Arab world, we essentially provide financial backing to an authoritative regime. This is the case when we provide aid to Egypt, Morocco, Jordan, and others. That is why I believe that we need to be very specific about what we expect the Yemenis to do in exchange for the aid we provide them. Indeed, we should consider making sure that some of our aid is tied to political reform and liberalization.

Question 6:

U.S. Military Action/Drone Stikes
It is my understanding the Al Qaeda elements linked to the foiled Christmas Day attack have cited U.S. military actions and alleged drone strikes in Pakistan, Afghanistan, and elsewhere including the Arabian Peninsula, as a pretext for the plot.

In your opinion, does U.S. foreign policy in Afghanistan and Iraq contribute to recruitment by extremist elements in Yemen, and the persistence of anti-American sentiment in the region?

Answer:

Our military efforts in Afghanistan and Iraq are both the reason for these attacks and a potential deterrent against future attacks.

To be sure the war in Iraq is unpopular throughout the Arab world. Anger in Yemen over the war led a disproportionate number of Yemenis to join the insurgency there as foreign fighters – more than 15% of the foreign fighters, according to one source. Our efforts in Afghanistan are also unpopular.

The way to diffuse this is to achieve victory on both fronts. U.S. victories – or at least U.S. imposed stability – in Iraq and Afghanistan will go a long way in demonstrating to the Yemenis, not to mention the rest of the Muslim world, that our goal has always been to help create viable governments there.

Question 7:

How does the Yemeni public view the direct involvement the United States in Yemen with overt military assistance, particularly reports of U.S. collaboration in forward military operations and drone strikes?

Answer:

The average Yemeni is not terribly pleased with the notion that the U.S. is involved in intelligence sharing or covert operations in their country. In fact, Yemenis were generally furious with the U.S. after the drone strikes of November 2002 that killed six al-Qaeda operatives.

Still, drone attacks probably don't make America any more hated in Yemen, where anti-Americanism is always high. The average Yemeni viewed our Middle East policy as anti-Arab long before these operations began. I believe that this skewed perception is reinforced in the Yemeni media as well as Yemeni mosques.

In the end, despite the anger over them in Yemen, drone attacks are certainly better than putting American soldiers in harm's way by stationing them on the ground there. As long as the Yemeni government's approach to counterterrorism is lackluster, I advocate the continued use of drones in counterterrorism operations against high value al-Qaeda targets.

Congresswoman Barbara Lee
House Committee on Foreign Affairs Hearing on
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Questions for the Record

Response from Mr. Leslie Campbell, Senior Associate & Regional Director for the Middle East and North Africa, The National Democratic Institute

Question 1:

Aid Balance
I am struck by the enormous development challenges faced by Yemen, which suffers from widespread illiteracy and unemployment, high population growth, and a dwindling water supply.

In the past, dissatisfied tribal groups have carried out kidnappings of Yemeni officials and foreign tourists just to press for infrastructure projects for their districts.

What is the ideal balance between United States economic and development assistance versus security assistance to Yemen? Should the expansion of programs to improve living conditions for the people of Yemen and build the Yemeni government's capacity to provide services to its people as a long-term strategy for reducing the root causes of terrorism and the persistence of instability be the primary focus of our assistance?

Answer:

There will be no satisfactory development until the security problems in Yemen are addressed but security will be a challenge unless people's basic needs are addressed and Yemen is governed properly. It is difficult to say what the correct balance is but security and development are linked.

Question 2:

Al Qaeda Presence
What are the current estimates for the number of active members of Al Qaeda residing in Yemen, Afghanistan, Pakistan and Somalia?

Answer:

Mr. Campbell notes that this question falls outside his area of expertise.

Question 3:

Internal Stability/Diplomacy
Can you also speak to the relative importance of diplomatic efforts to ease tensions related to both the Northern and Southern conflicts in the context of efforts to stabilize the country and avoid a "failed state" scenario? Can the United States expect to eliminate the presence of Al Qaeda in Yemen without a resolution to these conflicts?

Answer:

Yemen's problems should be tackled holistically. Unrest in the south and southerner's legitimate grievances including the holding of political prisoners, tribal conflict, such as that with the Houthi clan must be included in discussions of political and governance reform.

Question 4:

What steps can the United States take to ensure international military assistance is not simply used to consolidate President Saleh's power relative to internal rivals, with efforts to root out Al Qaeda as a secondary priority?

Answer:

All assistance to Yemen should be subject to strict oversight to ensure it is used properly and effectively and not for the benefit of one party.

Question 5:

U.S. Military Action/Drone Stikes
It is my understanding the Al Qaeda elements linked to the foiled Christmas Day attack have cited U.S. military actions and alleged drone strikes in Pakistan, Afghanistan, and elsewhere including the Arabian Peninsula, as a pretext for the plot.

In your opinion, does U.S. foreign policy in Afghanistan and Iraq contribute to recruitment by extremist elements in Yemen, and the persistence of anti-American sentiment in the region?

Answer:

There have been extremists in Yemen for many years – pre-dating Iraq and Afghanistan. The reasons are complex but also relate to interference by neighbors. Good governance, fair allocation of resources and economic development are the issues Yemenis care most about.

Question 6:

How does the Yemeni public view the direct involvement the United States in Yemen with overt military assistance, particularly reports of U.S. collaboration in forward military operations and drone strikes?

Answer:

The Yemen public has been very welcoming of USG assistance and programs. The majority do not support the extremists in the country.

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Wednesday, February 3, 2010
Questions for the Record

Response from Mr. Bruce Riedel, Senior Fellow, Saban Center for Middle East Policy, The Brookings Institution

Question:

Al Qaeda Presence
What are the current estimates for the number of active members of Al Qaeda residing in Yemen, Afghanistan, Pakistan and Somalia?

Answer:

There are no reliable estimates of the number of al Qaeda members available. Our information base is insufficient to even make informed projections on this issue. Estimates by local governments or by unnamed senior US officials off the record in the media should be treated with great skepticism. Since we do not know the location of the leadership of al Qaeda, Usama bin Laden and Ayman Zawahiri, the Congress should look with some degree of healthy skepticism at claims that al Qaeda is falling apart or weakening.

Question:

Internal Stability/Diplomacy
Can you also speak to the relative importance of diplomatic efforts to ease tensions related to both the Northern and Southern conflicts in the context of efforts to stabilize the country and avoid a "failed state" scenario? Can the United States expect to eliminate the presence of Al Qaeda in Yemen without a resolution to these conflicts?

Answer:

These efforts are crucial to success of our strategy to eliminate al Qaeda in Yemen. As long as Yemeni resources are diverted to the Houthi rebellion or southern secessionism less effort will be focused on al Qaeda. So the US and its regional allies like Saudi Arabia and Qatar should try to encourage resolution of these internal disputes to free Yemeni resources to focus on al Qaeda.

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